

Vernon Parish School Board

Leesville, Louisiana



Comprehensive Annual Financial Report

for the year ended June 30, 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 06 2013

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2012

Mike Perkins
President

Jackie Self
Superintendent

Tim Ward
Director of Finance

Prepared by the Department of Finance

**Vernon Parish School Board
Table of Contents**

| | <u>Page</u> |
|---|------------------|
| INTRODUCTORY SECTION | |
| Transmittal Letter | 11-14 |
| GFOA Certificate of Achievement for Excellence in Financial Reporting | 15 |
| ASBO Certificate of Excellence in Financial Reporting | 17 |
| Organization Chart | 19 |
| Elected Officials | 20 |
| Selected Administrative Officials | 21 |
| FINANCIAL SECTION | |
| | <u>Statement</u> |
| Independent Auditors' Report | 25-26 |
| Required Supplementary Information | 27 |
| Management's Discussion and Analysis (MD&A) | 28-40 |
| Basic Financial Statements | |
| Government-wide Financial Statements (GWFS) | 41 |
| Statement of Net Assets | A 42 |
| Statement of Activities | B 43 |
| Fund Financial Statements (FFS) | 44 |
| Governmental Funds | |
| Balance Sheet | C 45 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets | D 47 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | E 48-49 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities | F 50 |
| Fiduciary Funds | |
| Statement of Fiduciary Assets and Liabilities | G 51 |
| Notes to the Basic Financial Statements | |
| Index | 52 |
| Notes | 53-77 |
| | <u>Exhibit</u> |
| Required Supplementary Information | 78 |
| Schedule of Funding Progress for Other Post Employment Benefit Plan | 79 |
| Budgetary Comparison Schedules | 80 |
| General Fund | 1 81 |
| Notes to the Budgetary Comparison Schedule | 82-83 |
| Supplementary Information | 84 |
| Nonmajor Governmental Funds | |
| Combining Balance Sheet - By Fund Type | 2 85 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type | 3 86-87 |

(Continued)

**Vernon Parish School Board
Table of Contents**

| | <u>Exhibit</u> | <u>Page</u> |
|--|----------------|-------------|
| Supplementary Information (Continued) | | |
| Nonmajor Special Revenue Funds | | 88-89 |
| Combining Balance Sheet | 4 | 90-95 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 5 | 96-107 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual | | |
| Ward 1 Maintenance | 6-1 | 108 |
| Ward 2 - Orange Maintenance | 6-2 | 109 |
| Ward 2 - Hornbeck Maintenance | 6-3 | 110 |
| Ward 3 Maintenance | 6-4 | 111 |
| Ward 4 Maintenance | 6-5 | 112 |
| Ward 5 Maintenance | 6-6 | 113 |
| Ward 6 Maintenance | 6-7 | 114 |
| Ward 7 Maintenance | 6-8 | 115 |
| Ward 8 Maintenance | 6-9 | 116 |
| Other Special Funds | 6-10 | 117 |
| 8G State Funds | 6-11 | 118 |
| Indian Education Grant | 6-12 | 119 |
| Adult Education | 6-13 | 120 |
| Vocational Education | 6-14 | 121 |
| Special Education | 6-15 | 122 |
| LA 4 | 6-16 | 123 |
| School Food Service | 6-17 | 124 |
| Food Processing Centers | 6-18 | 125 |
| JAG | 6-19 | 126 |
| Title I | 6-20 | 127 |
| Title II | 6-21 | 128 |
| Title III | 6-22 | 129 |
| Sales Tax | 6-23 | 130 |
| Head Start | 6-24 | 131 |
| Preschool | 6-25 | 132 |
| Education Excellence | 6-26 | 133 |
| REAP | 6-27 | 134 |
| Education Jobs | 6-28 | 135 |
| Nonmajor Debt Service Funds | | 137 |
| Combining Balance Sheet | 7 | 138-139 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 8 | 140-141 |
| Nonmajor Capital Project Funds | | 143 |
| Combining Balance Sheet | 9 | 144-145 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 10 | 146-147 |
| Agency Funds | | 148 |
| Combining Statement of Fiduciary Assets and Liabilities | 11 | 149 |
| Combining Statement of Changes in Assets and Liabilities | 12 | 150-151 |
| Schedule of Changes in Deposits Due Others - School Activities Agency Fund | 13 | 152 |

(Continued)

**Vernon Parish School Board
Table of Contents**

| | <u>Exhibit</u> | <u>Page</u> |
|--|----------------|-------------|
| Supplementary Information (Continued) | | |
| Schedule of Compensation Paid Board Members | 14 | 154 |
| Comparative Information and Other Data Required by Bond Covenant with the U S Department of Agriculture Nonmajor Debt Service Fund | | 155 |
| Comparative Balance Sheets - Ward 2 - Orange | 15 | 156 |
| Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Ward 2 - Orange | 16 | 157 |
| Comparative Balance Sheets - Ward 8 | 17 | 158 |
| Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Ward 8 | 18 | 159 |
| Schedule of Insurance | 19 | 160 |
| Reserve Account | 20 | 161 |
| Statistical Section | | |
| Contents | <u>Table</u> | 165-166 |
| Financial Trends | | |
| Net Assets by Component | 1 | 167 |
| Changes in Net Assets | 2 | 168 |
| Fund Balances of Governmental Funds | 3 | 169 |
| Changes in Fund Balances of Governmental Funds | 4 | 170 |
| Revenue Capacity | | |
| Assessed Value and Estimated Actual Value of Taxable Property | 5 | 171 |
| Overlapping Governments | 6 | 172 |
| Principal Property Taxpayers | 7 | 173 |
| Property Tax Levies and Collections | 8 | 174 |
| Sales and Use Tax Rates and Collections | 9 | 175 |
| Debt Capacity | | |
| Ratios of Outstanding Debt by Type | 10 | 176 |
| Ratios of General Bonded Debt Outstanding | 11 | 177 |
| Direct and Overlapping Governmental Activities Debt | 12 | 178 |
| Legal Debt Margin Information | 13 | 179 |
| Demographic and Economic Information | | |
| Demographic and Economic Statistics | 14 | 180 |
| Principal Employers | 15 | 181 |
| Operating Information | | |
| School Personnel | 16 | 182 |
| School Building Information | 17 | 183 |
| Operating Statistics | 18 | 184 |
| | | (Concluded) |

INTRODUCTORY SECTION

President
Michael Perkins

Superintendent
Jackie D Self

Vice-President
Randi Gleason

Vernon Parish School Board

201 Belview Road
LEESVILLE, LOUISIANA 71446
(337) 239-3401
Fax (337) 238-5777

BOARD MEMBERS

Transmittal Letter

District One
Doug Brandon
Randi Gleason
Mel Hams
Robert Pynes, Jr
Steve Woods

December 26, 2012

To the Elected School Board
Members and Citizens of Vernon Parish

District Two
Jerry L Jeane

District Three
Richard Schwartz

District Four
Randy Martin

District Five
Michael Perkins

District Six
Vernon L Travis, Jr

District Seven
John Blankenbaker

District Eight
Gerald Cooley

The Comprehensive Annual Financial Report of the Vernon Parish School Board (School Board) for the year ended June 30, 2012, is submitted herewith Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada have prepared this report

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included

B. Reporting Entity The report includes all entities or organizations that are required to be included in the School Board's reporting entity The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose it's will on the organization or if there is a financial benefit/burden relationship In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Vernon Parish School Board (the primary government) Based on the above criteria, there are no component units included in the School Board's reporting entity.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U S Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws and regulations The single audit report is issued separately from this Comprehensive Annual Financial Report

The School Board provides a full range of educational services appropriate to grade levels Pre K through 12 for 10,111 students, in which Pre K enrollment was 673 and MFP enrollment was 9,438 Projected enrollment by 2017-2018 is estimated to be 10,313 students, in which Pre K enrollment will be 689 and MFP enrollment will be 9,624

"An Equal Opportunity Employer"

These include providing instructional personnel, instructional materials, instructional facilities, child nutrition, administrative support, business services, systems operations, and plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics. These education services are provided at eighteen school sites across the Parish with the school buildings ranging in age from 1955 to 1995 with all school sites being renovated over the last 10 ten years.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Vernon Parish School Board's MD&A can be found immediately after the report of the independent auditors.

C. Internal Control Management of the School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2012, provided no instances of material weaknesses in internal control.

D. Major Initiatives

- All schools have developed comprehensive improvement plans to provide direction for future curriculum, staff development, assessment, and technology improvements. To support these comprehensive school plans, our central office staff developed district improvement plans. Our School Board supported all the plans by developing its own strategic goals. Much progress has been made in meeting the objectives addressed in these plans. Staff development in our schools is targeted to help schools meet these goals.
- All new teachers to our system were given one day of intensive induction. The teachers received training in classroom management, parish and state policies, and special programs appropriate for their grade levels and/or their subject area. Most of our new teachers also go through the Louisiana Teacher Assistance and Assessment Program. New teachers are paired with a mentor and given two years of support.
- The State of Louisiana has implemented "Reading for Results," a high-stakes testing policy. Teachers are working to prepare students for tests, which are rigorous, standards-driven, and high stakes for students.
- Vernon Parish cares about education and has a tradition of pride in its schools. That tradition will be continued through a commitment to innovation in learning programs. We must continue to seek out new methods to ensure success for every student.

- Vernon Parish School Board receives federal Impact Aid funding due to the Fort Polk military installation being located in Vernon Parish. The amount of aid received can fluctuate. This uncertainty provides a challenge in addressing the problems shared by many school systems across America - teachers' salaries and school plant improvement. Effective and decisive leadership will be required to address these problems given the fluctuation in Impact Aid funding.

E. Economic Conditions and Outlook and Long Term Financial Planning The economy of Vernon Parish is driven primarily by the Fort Polk military installation, the fifth largest such facility in the nation. More than half the work force of Vernon Parish is comprised of active duty military personnel, and the base also employs civilians. Aside from its \$970 million annual direct economic impact on Vernon Parish, Fort Polk indirectly influences the surrounding parishes' economy as well. One-third of the population of Vernon Parish is comprised of military personnel or their families living on- or off-base. This influx of career- and family-age population gives the area a relatively low median age, a factor, which appeals to companies seeking to build industrial and manufacturing establishments. The large military population has also drawn specialists to both Bayne-Jones Army Community Hospital and civilian medical practice, giving the Vernon Parish area substantially better medical and health care technology.

The local economy has remained stable over the last five to ten years with unemployment rates holding steady to slightly decreasing over that time period. Unemployment should continue to remain steady depending on the impact of Fort Polk.

The School Board receives Impact Aid because of the number of students that are federally connected. The federally connected child count fluctuates from year to year based on activity at the base. Elected officials and administrators must be conscious of the effect this fluctuation has on funding while assuring that critical instructional needs are met.

The School Board has been trying to build its fund balance to deal with future anticipated state funding reductions and the likelihood of future school bus purchases. Long-term planning is a goal of the School Board but is difficult due to the uncertainty of state funding.

F. Budgetary Controls In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget enacted require School Board approval.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

G. Independent Audits The report of our independent certified public accountants, Allen, Green & Williamson, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls.



H. Awards The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only. The School Board was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010 and 2011.



The School Board received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the fiscal years ended June 30, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010 and 2011. The awards certified that the Comprehensive Annual Financial Report for these fiscal years substantially conforms to the principles and Standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

I. Acknowledgments The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.

Jackie D. Self
Superintendent

A handwritten signature in black ink, appearing to read "Jackie D. Self".

Tim Ward
Director of Finance

A handwritten signature in black ink, appearing to read "Tim Ward".

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vernon Parish School Board
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morrell

President

Jeffrey R. Enow

Executive Director

Vernon Parish School Board

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Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Vernon Parish School Board

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in cursive script, reading 'Brian L. Mee', positioned above a horizontal line.

Brian L. Mee, SFO, RSBA
President

A handwritten signature in cursive script, reading 'John D. Musso', positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

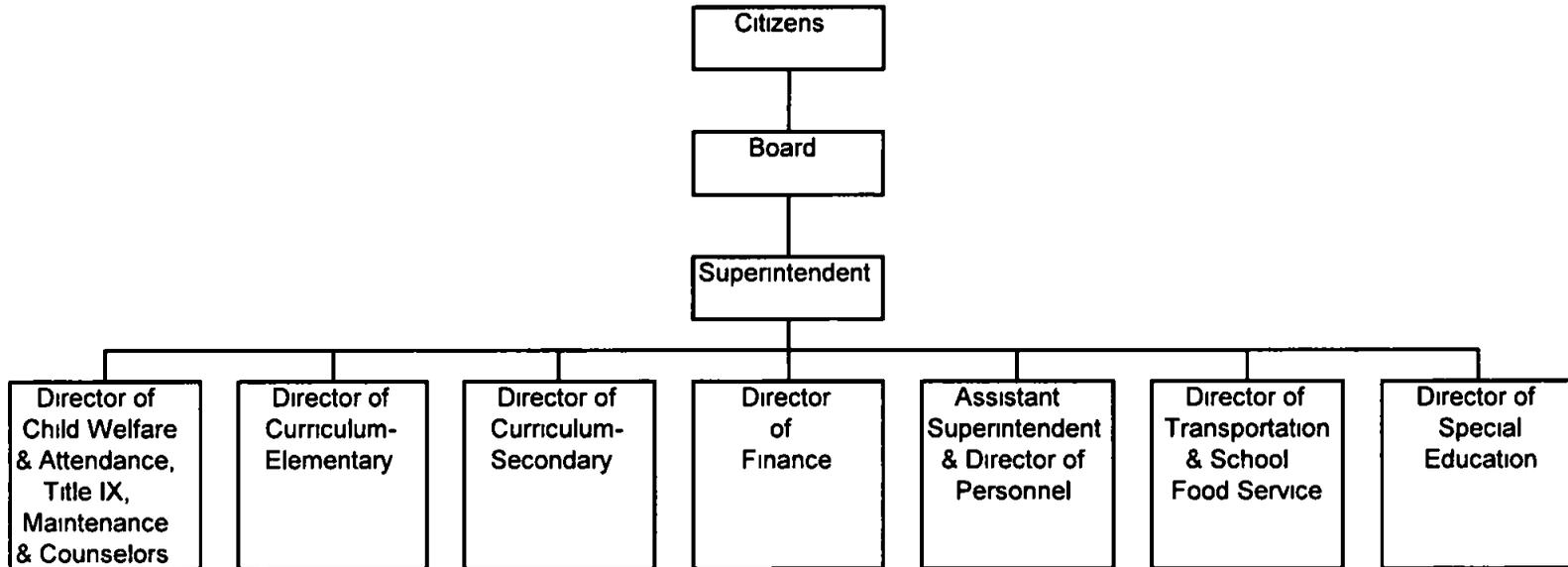
Vernon Parish School Board

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Vernon Parish School Board

Organization Chart

June 30, 2012



Vernon Parish School Board

**Elected Officials
June 30, 2012**

| <u>Board Member</u> | <u>District</u> |
|--|-----------------|
| Michael Perkins, President | 5 |
| Randi Gleason, Vice President | 1 |
| John Blankenbaker | 7 |
| George Brandon | 1 |
| Gerald Cooley | 8 |
| Beryl Ford, Resigned February 3, 2012 | 3 |
| Millard "Mel" L Harris | 1 |
| Jerry Jeane | 2 |
| William R Martin | 4 |
| Robert Pynes, Jr | 1 |
| Richard Schwartz, February 7, 2012 - Present | 3 |
| Vernon Travis | 6 |
| Stephen Woods | 1 |

Vernon Parish School Board

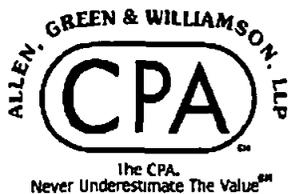
**Selected Administrative Officials
June 30, 2012**

| | |
|-------------------|---|
| Jackie Self | Superintendent |
| Tim Ward | Director of Finance |
| Dottie Neugebauer | Director of Special Education |
| Tom Neubert | Director of Child Welfare and Attendance, Title IX, Maintenance and Counselors |
| Jimmie Funderburk | Director of Personnel |
| James Williams | Director of Transportation and School Food Service |
| Anne Smith | Director of Curriculum - Elementary |
| John Farris | Director of Curriculum - Secondary |

Vernon Parish School Board

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FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Aimee Buchanan, CPA
Rachel Davis, CPA
Jaime Esswein, CPA
Brian McBride, CPA
Shonda McCoy, CPA
Jaucia Mercer, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963-2000

INDEPENDENT AUDITORS' REPORT

Board Members
Vernon Parish School Board
Leesville, Louisiana

Basic Financial Statements We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vernon Parish School Board, as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated December 26, 2012 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Required Supplementary Information Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Other Post Employment Benefits, and the Budgetary Comparison Schedule as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vernon Parish School Board's financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as other information such as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 26, 2012

REQUIRED SUPPLEMENTARY INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

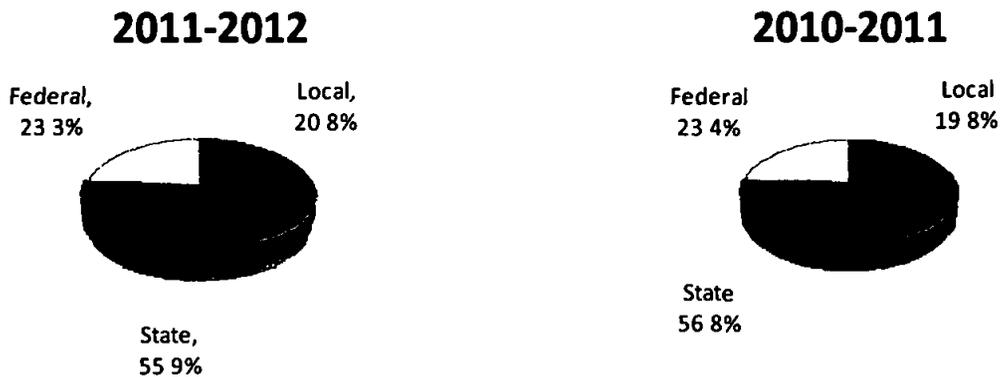
**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

Our discussion and analysis of Vernon Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with the transmittal letter included in the introductory section of this report and the School Board's financial statements, which follows this Management's Discussion and Analysis. Amounts are reported in millions unless otherwise noted.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

This year, the primary resources available to the school system are local revenues, primarily tax receipts, which total \$21.6 million or 20.8% of the total, state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling \$577.9 million or 55.9% of the total, and federal funds, primarily impact aid and special grants totaling \$24.2 million or 23.3%. Last year, local revenues were \$19.4 million or 19.8% of the total, while state revenues were \$55.7 million or 56.8%, and federal revenues were \$22.9 million or 23.4%.

TOTAL REVENUES BY SOURCE



Of the total \$103.7 million in revenues received by the school system this year, \$20.0 million or 19.3% is restricted. Unrestricted revenues were \$83.7 million or 80.7%. Last year total revenue was \$97.9 million, of which total \$19.4 million or 19.8% was restricted revenue and \$78.5 million or 80.2% was unrestricted revenue.

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

RESTRICTED VS. UNRESTRICTED REVENUES

2011-2012

■ Restricted ■ Unrestricted



2010-2011

■ Restricted ■ Unrestricted

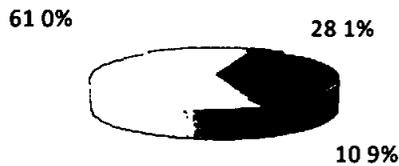


Of the unrestricted amount of \$87.1 million in 2011-2012, 61.0% was spent for salaries, 28.1% was spent for employee benefits, and 10.9% was spent for other functions of the school system. Of the unrestricted amount of \$78.5 million in 2010-2011, 62.0% was spent for salaries, 26.2% was spent for employee benefits, and 11.8% for other functions of the school system.

USES OF UNRESTRICTED REVENUE

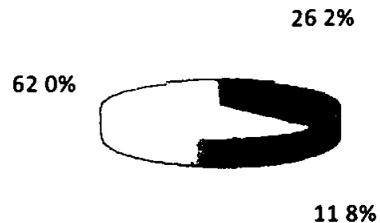
2011-2012

■ Benefits ■ Other □ Salaries



2010-2011

■ Benefits ■ Other □ Salaries



**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

FUND FINANCIAL STATEMENTS

The fund balances of all governmental funds showed a decrease of \$1.2 million. The general fund, a major fund of the School Board, showed an increase of \$2.8 million due primarily to an increase in impact aid funding. Fund balances in maintenance funds and other special revenue funds increased \$0.3 million due primarily to increased property tax revenue. Fund balances in the debt service funds remained consistently the same. The nonmajor capital project funds increased \$1.9 million due to new bond proceeds.

The School Board's major capital project fund - Leesville High Construction Fund - had a decrease in fund balance of \$6.2 million due to partial completion of project.

Total revenue for all governmental funds for the current year was \$103.7 million, an increase of \$5.8 million from the prior year. Total expenditures of \$108.7 million for the current year were an increase of \$11.5 million over last year.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Most of the School Board's taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: instruction \$54.6 million or 58.7%, school administration \$6.6 million or 7.0%, plant services \$8.4 million or 9.0%, transportation \$7.6 million or 8.2%, and the remaining other functions \$15.8 million or 17.1%. The changes between these areas and the prior year were 8.1% increase in instruction, 1.5% increase in school administration, no change in plant services, 7.0% increase in transportation, and all other functions increased 5.3%.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General fund and Leesville High School Construction. The remaining statement - the Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

| |
|---|
| Comprehensive Annual Financial Report |
| <u>Introductory Section</u> Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers |
| <u>Financial Section</u> (Details outlined in the next chart) |
| <u>Statistical Section</u> Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Indicators Operating Information |
| (Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above) |

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

Financial Section

**Required Supplementary Information
Management's Discussion & Analysis (MD&A)**

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

**Required Supplementary Information
Schedule of Funding Progress for Other Post Employment Benefit Plan
Budgetary Information for Major Funds**

**Supplementary Information
Nonmajor Funds Combining Statements & Budgetary Information
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members
Bond Covenant Information**

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance regarding the Required Supplementary Information and the Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, scholarship fund and the sales tax fund. All of the School Board's fiduciary activities are reported in the Statement of Fiduciary Net Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$14.7 million at June 30, 2012. The School Board had a negative unrestricted of \$8.3 million. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets, (Table 1) and the change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets
(in millions)
June 30,

| | Governmental Activities | | |
|---|-------------------------|----------------|-----------------|
| | 2012 | 2011 | Variance |
| Current and other assets | \$ 56.8 | \$ 57.6 | \$ (0.8) |
| Capital assets | 44.9 | 37.7 | 7.2 |
| Total assets | <u>101.7</u> | <u>95.3</u> | <u>6.4</u> |
| Current and other liabilities | 9.2 | 8.6 | 0.6 |
| Long-term liabilities | 77.8 | 66.5 | 11.3 |
| Total liabilities | <u>87.0</u> | <u>75.1</u> | <u>11.9</u> |
| Net assets | | | |
| Invested in capital assets, net of related debt | 17.8 | 17.1 | 0.7 |
| Restricted | 5.2 | 5.3 | (0.1) |
| Unrestricted | (8.3) | (2.2) | (6.1) |
| Total net assets | <u>\$ 14.7</u> | <u>\$ 20.2</u> | <u>\$ (5.5)</u> |

The (\$8.3) million in unrestricted net assets of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today there would be negative \$8.3 million.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities Table 2 on the next page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Total net assets decreased \$5.5 million as a result of current year activity. Total revenues increased \$5.9 million due to increased impact aid funding. The total expenses increased \$5.3 million. The increase in expenses is due mainly to increased salary and benefit costs.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012

Table 2
Changes in Net Assets
(in millions)
For the Years Ended June 30,

| | <u>2012</u> | <u>2011</u> | <u>Variance</u> |
|--|----------------|----------------|-----------------|
| Governmental Activities | | | |
| Net Assets – beginning | \$ 20 2 | \$ 26 3 | \$ (6 1) |
| Revenues: | | | |
| Program revenues | | | |
| Charges for services | 1 0 | 0 9 | 0 1 |
| Operating grants and contributions | 14 5 | 15 1 | (0 6) |
| Capital grants and contributions | 0 6 | 0 4 | 0 2 |
| General Revenue | | | |
| Ad Valorem | 7 2 | 6 3 | 0 9 |
| Sales Taxes | 12 2 | 10 8 | 1 4 |
| State minimum foundation program | 56 5 | 54 3 | 2 2 |
| Other general revenues | 11 7 | 10 0 | 1 7 |
| Total revenues | <u>103 7</u> | <u>97 8</u> | <u>5 9</u> |
| Functions/Program Expenses: | | | |
| Instruction | | | |
| Regular programs | 43 0 | 39 5 | 3 5 |
| Special programs | 16 0 | 14 6 | 1 4 |
| Other instructional programs | 4 5 | 5 6 | (1 1) |
| Support services | | | |
| Student services | 5 4 | 5 1 | 0 3 |
| Instructional staff support | 4 3 | 4 9 | (0 6) |
| General administration | 1 9 | 1 9 | - |
| School administration | 6 6 | 6 5 | 0 1 |
| Business services | 0 7 | 0 6 | 0 1 |
| Plant services | 9 1 | 8 9 | 0 2 |
| Student transportation services | 7 7 | 7 2 | 0 5 |
| Central service | 0 6 | 0 7 | (0 1) |
| Food services | 7 3 | 6 9 | 0 4 |
| Community service programs | 0 1 | 0 1 | (0 0) |
| Interest on long term debt | 2 0 | 1 4 | 0 6 |
| Total expenses | <u>109 2</u> | <u>103 9</u> | <u>5 3</u> |
| Increase (decrease) in net assets | <u>(5 5)</u> | <u>(6 1)</u> | <u>0 6</u> |
| Net Assets – ending | <u>\$ 14 7</u> | <u>\$ 20 2</u> | <u>\$ (5 5)</u> |

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was \$109.2 million. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$93 million because some of the cost was paid by those who benefited from the programs \$1 million or by other governments and organizations who subsidized certain programs with grants and contributions \$15.2 million.

In the table below, we have presented the cost of each of the School Board's six largest functions - regular programs, special programs, school administration, plant services, student transportation services, and school food services, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

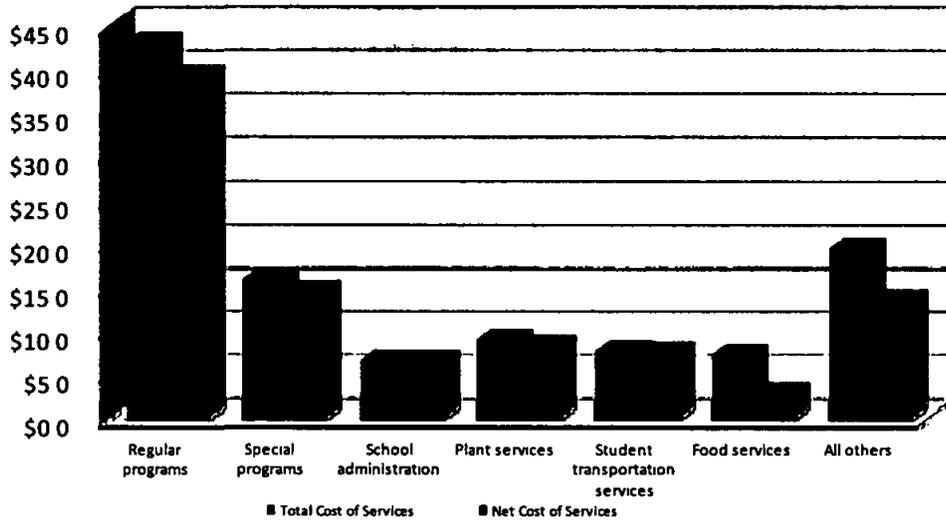
**Table 3
For the Years Ended June 30,
(in millions)**

| | Governmental Activities | | | |
|---------------------------------|--------------------------------------|------------------------|---------------------------|-----------------------|
| | <u>Total Cost of Services</u> | | <u>Net Cost of</u> | |
| | 2012 | 2011 | 2012 | 2011 |
| Regular programs | \$ 43.0 | \$ 39.5 | \$ 39.2 | \$ 35.8 |
| Special programs | 16.0 | 14.6 | 14.7 | 13.1 |
| School administration | 6.6 | 6.5 | 6.6 | 6.5 |
| Plant services | 9.1 | 8.9 | 8.4 | 8.4 |
| Student transportation services | 7.7 | 7.2 | 7.6 | 7.1 |
| Food services | 7.3 | 6.9 | 2.9 | 2.6 |
| All others | 19.5 | 20.3 | 13.6 | 14.0 |
| Totals | <u>\$ 109.2</u> | <u>\$ 103.9</u> | <u>\$ 93.0</u> | <u>\$ 87.5</u> |

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

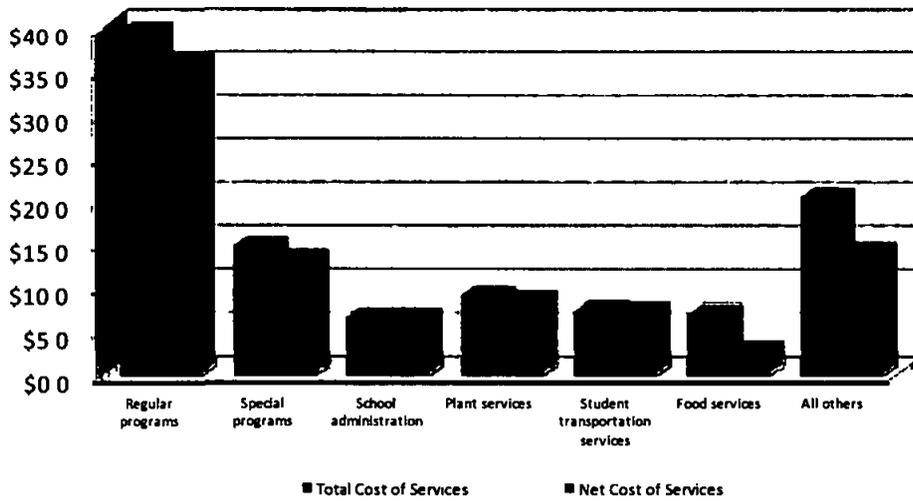
**Total Cost of Services
Versus
Net Cost of Services
(In Millions)**

2011-2012



**Total Cost of Services
Versus
Net Cost of Services
(In Millions)**

2010-2011



Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

As the School Board completed this year, our governmental funds reported a combined fund balance of \$48.3 million.

Other significant changes in revenues and expenditures, which affected fund balances, were:

The general fund is our principal operating fund. The fund balance in the general fund increased by \$2.8 million, with the following events occurring:

- an increase of \$1.3 million in local revenue due to higher sales tax receipts
- an increase of \$2.2 million in MFP revenue due to higher student counts
- an increase of \$4.1 million in impact aid due to completion of audits
- an increase of \$2.0 million in salary costs due to increased personnel
- an increase of \$3.1 million in benefit costs due to higher rates

The Leesville High Construction fund, major capital projects fund, had a decrease in fund balance of \$6.2 million. This fund is to account for new construction that has just begun.

Nonmajor special revenue funds had an increase in fund balance of \$0.3 million due mainly to mostly increased property tax revenue.

Nonmajor debt service funds had the following change:

- \$0.1 million increase in fund balance due to increased property tax revenue

The nonmajor capital projects funds had one significant change:

- Increase of \$1.9 million in fund balance due to new bond proceeds for buses

General Fund Budgetary Highlights The School Board is mandated by state law to adopt its budget by September 15 of each year. This original budget is based on a "bare bones" approach that reflects only guaranteed revenues and necessary expenditures since the major sources of revenues, i.e., minimum foundation program and impact aid, are based on October 1 student enrollment figures. The original budget figures are amended when revenues or expenditures exceed 5% of estimate. Additionally, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplemental Information.)

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

There were significant revisions made to the 2011-2012 general fund original budgets. Budgeted amount available for appropriations increased \$5.2 million primarily due to the following:

- An increase of \$4.1 million in impact aid
- An increase of \$2.2 million in MFP because of higher student counts

Budgeted charges to appropriations increased by \$3.2 million due to the following:

- An increase of \$3.1 million in benefit costs due to higher rates

The total actual revenue was less than the budgeted revenue by \$0.06 million due to decreased interest revenue.

The total actual expenses were less than budgeted expenses by \$0.6 million due to lower textbook expenses.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2012, the School Board had \$44.9 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$7.2 million or 19.1%, from last year.

| Capital Assets at Year-end | | |
|-----------------------------------|--------------------------------|----------------|
| (in millions) | | |
| | <u>Governmental Activities</u> | |
| | 2012 | 2011 |
| Land | \$ 1.4 | \$ 1.4 |
| Construction in progress | 9.8 | 2.9 |
| Buildings | 31.7 | 31.0 |
| Furniture and equipment | 2.0 | 2.4 |
| Totals | <u>\$ 44.9</u> | <u>\$ 37.7</u> |

This year's additions of \$9.1 million in which was \$8.9 million in construction in progress mainly for the ongoing Anacoco Construction Project and the Leesville High School Construction Project and equipment increased \$0.2 million, due to new lunch equipment.

We present more detailed information about our capital assets in Note 6 of the notes to the financial statements.

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2012**

DEBT ADMINISTRATION At June 30, 2012, the School Board had \$42.3 million in general obligation bonds outstanding with maturities from 2015 to 2037 with interest rates ranging from 0.10 to 6.00 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2012, the School Board's net bonded debt of \$39.9 million (total bonded debt of \$42.3 million less assets in debt service funds of \$2.4 million) was well below the legal limit of \$84.1 million. For more detailed information, please refer to the Notes to the Basic Financial Statement (Note 12).

| | <u>Amount</u> | <u>Debt per Capita</u> |
|---|---------------|------------------------|
| June 30, 2012 Net direct general obligation bonded debt | \$39,966,878 | \$767 |

The School Board maintained a Baa bond rating from Moody's Investors Service.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the School Board's 2012-2013 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2012-2013 budget was adopted in September, 2012, based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the state. Approximately 54% of total revenues are from the MFP. Our Impact Aid federal funding is also tied to the number of federally connected students. Impact Aid fluctuates between \$5 to \$7 million per year. The October 1, 2012, student count was approximately 260 students lower.

We have projected an increase of \$1 million for the 2012-2013 fiscal year with no major uncertainties anticipated for the future.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Tim Ward, Director of Finance, at Vernon Parish School Board, 201 Belview Road, Leesville, Louisiana 71446, telephone number (337) 239-3401.

**BASIC FINANCIAL STATEMENTS:
GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

VERNON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2012

Statement A

**GOVERNMENTAL
ACTIVITIES**

| | |
|---|-----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 8,492,845 |
| Investments | 42,276,975 |
| Receivables (net) | 5,878,661 |
| Inventory | 156,391 |
| Capital assets | |
| Land and construction in progress | 11,125,022 |
| Capital assets, net of depreciation | <u>33,754,452</u> |
| TOTAL ASSETS | <u><u>101,684,346</u></u> |
| LIABILITIES | |
| Accounts, salaries and other payables | 8,470,921 |
| Unearned revenues | 54,530 |
| Interest payable | 618,614 |
| Long-term liabilities | |
| Due within one year | 3,596,498 |
| Due in more than one year | <u>74,244,376</u> |
| TOTAL LIABILITIES | <u><u>86,984,939</u></u> |
| NET ASSETS | |
| Invested in capital assets, net of related debt | 17,817,725 |
| Restricted for: | |
| Grant funds | 142,201 |
| School Food Service | 243,884 |
| Facility improvements | 2,370,514 |
| Debt service | 1,745,144 |
| Capital projects | 97 |
| Workers' compensation | 646,000 |
| Unrestricted | <u>(8,266,158)</u> |
| TOTAL NET ASSETS | <u><u>\$ 14,699,407</u></u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

VERNON PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012**

Statement B

| FUNCTIONS/PROGRAMS | EXPENSES | PROGRAM REVENUES | | | NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS |
|---|--------------------|-------------------------|--|--|--|
| | | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS | CAPITAL GRANTS AND CONTRIBUTIONS | |
| <i>Governmental activities</i> | | | | | |
| <i>Instruction</i> | | | | | |
| Regular programs | \$ 43,005,602 | \$ 0 | \$ 3,788,962 | | \$ (39,216,640) |
| Special programs | 16,000,695 | 0 | 1,332,035 | | (14,668,660) |
| Other instructional programs | 4,494,574 | 0 | 3,855,704 | | (638,870) |
| <i>Support services</i> | | | | | |
| Student services | 5,367,333 | 0 | 446,390 | | (4,920,943) |
| Instructional staff support | 4,327,332 | 0 | 893,562 | | (3,433,770) |
| General administration | 1,906,467 | 0 | 593,265 | | (1,313,202) |
| School administration | 6,573,618 | 0 | 17,619 | | (6,555,999) |
| Business services | 669,182 | 0 | 13,894 | | (655,288) |
| Plant services | 9,188,026 | 0 | 126,158 | \$ 617,600 | (8,444,268) |
| Student transportation services | 7,715,968 | 0 | 88,215 | | (7,627,753) |
| Central services | 630,565 | 0 | 1,457 | | (629,108) |
| Food services | 7,270,604 | 1,004,166 | 3,390,605 | | (2,875,833) |
| Community services | 66,260 | | 58 | | (66,202) |
| Interest on long-term debt | 1,973,433 | 0 | 0 | | (1,973,433) |
| Total Governmental Activities | 109,189,659 | 1,004,166 | 14,547,924 | 617,600 | (93,019,969) |
| <i>General revenues</i> | | | | | |
| <i>Taxes</i> | | | | | |
| Property taxes, levied for general purposes | | | | | 3,404,612 |
| Property taxes, levied for debt services | | | | | 3,805,546 |
| Sales taxes | | | | | 12,231,273 |
| <i>Grants and contributions not restricted to specific programs</i> | | | | | |
| Minimum Foundation Program | | | | | 56,465,134 |
| Federal Forest Lands | | | | | 140,660 |
| Education Jobs grant | | | | | 44,708 |
| State revenue sharing | | | | | 279,407 |
| Interest and investment earnings | | | | | 152,816 |
| Impact Aid and Department of Defense | | | | | 10,030,372 |
| Miscellaneous | | | | | 978,077 |
| Total general revenues | | | | | 87,532,605 |
| Changes in net assets | | | | | (5,487,364) |
| Net assets - beginning | | | | | 20,186,771 |
| Net assets - ending | | | | | \$ 14,699,407 |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)**

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2012

Statement C

| | LEESVILLE | | | TOTAL |
|--|----------------------|-----------------------------|--------------------------|----------------------|
| | GENERAL | HIGH SCHOOL CONSTRUCTION | NONMAJOR GOVERNMENTAL | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 4,756,328 | \$ 8,267 | \$ 3,728,250 | \$ 8,492,845 |
| Investments | 21,442,734 | 16,214,311 | 4,619,930 | 42,276,975 |
| Receivables | 2,562,054 | 0 | 3,316,607 | 5,878,661 |
| Interfund receivables | 1,764,350 | 0 | 147,483 | 1,911,833 |
| Inventory | 0 | 0 | 156,391 | 156,391 |
| TOTAL ASSETS | 30,525,466 | 16,222,578 | 11,968,661 | 58,716,705 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts, salaries and other payables | 5,216,163 | 953,691 | 2,301,067 | 8,470,921 |
| Interfund payables | 127,701 | 0 | 1,784,132 | 1,911,833 |
| Deferred revenues | 0 | 0 | 54,530 | 54,530 |
| Total Liabilities | 5,343,864 | 953,691 | 4,139,729 | 10,437,284 |
| Fund Balances | | | | |
| Nonspendable | 0 | 0 | 101,861 | 101,861 |
| Restricted | 646,000 | 15,268,887 | 6,618,593 | 22,533,480 |
| Committed | 600,000 | 0 | 1,300,694 | 1,900,694 |
| Unassigned | 23,935,602 | 0 | (192,216) | 23,743,386 |
| Total Fund Balances | 25,181,602 | 15,268,887 | 7,828,932 | 48,279,421 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 30,525,466 | \$ 16,222,578 | \$ 11,968,661 | \$ 58,716,705 |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Vernon Parish School Board

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VERNON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2012**

Statement D

Total fund balances - governmental funds \$ 48,279,421

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

| | | |
|------------------------------|---------------------|------------|
| Costs of capital assets | \$ 81,342,465 | |
| Depreciation expense to date | <u>(36,462,991)</u> | 44,879,474 |

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2012 are

| | | |
|-------------------------------|------------------|---------------------|
| Long-term liabilities | | |
| Bonds payable | (42,330,636) | |
| Certificate of Indebtedness | (1,600,000) | |
| Workers' compensation payable | (655,298) | |
| Compensated absences payable | (1,076,098) | |
| OPEB liability | (32,178,842) | |
| Interest payable | <u>(618,614)</u> | <u>(78,459,488)</u> |

| | | |
|---|--|-----------------------------|
| Net Assets - Governmental Activities | | <u>\$ 14,699,407</u> |
|---|--|-----------------------------|

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

VERNON PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

Statement E

| | <u>GENERAL</u> | <u>LEESVILLE HIGH SCHOOL CONSTRUCTION</u> | <u>NONMAJOR GOVERNMENTAL</u> | <u>TOTAL</u> |
|--|---------------------|---|----------------------------------|-----------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 1,609,097 | \$ 0 | \$ 5,601,061 | \$ 7,210,158 |
| Sales and use | 12,230,774 | 0 | 499 | 12,231,273 |
| Interest earnings | 116,337 | 24,324 | 12,155 | 152,816 |
| Food services | 0 | 0 | 1,004,166 | 1,004,166 |
| Other | 470,782 | 0 | 533,441 | 1,004,223 |
| State sources | | | | |
| Equalization | 56,006,033 | 0 | 459,101 | 56,465,134 |
| Other | 240,260 | 0 | 1,255,291 | 1,495,551 |
| Federal sources | | | | |
| | 10,256,856 | 0 | 13,908,264 | 24,165,120 |
| Total Revenues | 80,930,139 | 24,324 | 22,773,978 | 103,728,441 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 33,787,292 | 0 | 3,779,216 | 37,566,508 |
| Special programs | 9,738,394 | 0 | 4,912,118 | 14,650,512 |
| Other instructional programs | 3,134,342 | 0 | 561,413 | 3,695,755 |
| Support services | | | | |
| Student services | 4,258,801 | 0 | 506,404 | 4,765,205 |
| Instructional staff support | 2,994,075 | 0 | 889,424 | 3,883,499 |
| General administration | 842,867 | 0 | 958,540 | 1,801,407 |
| School administration | 5,814,528 | 0 | 23,485 | 5,838,013 |
| Business services | 534,411 | 0 | 67,194 | 601,605 |
| Plant services | 7,276,178 | 0 | 1,306,317 | 8,582,495 |
| Student transportation services | 6,960,410 | 0 | 155,451 | 7,115,861 |
| Central services | 592,738 | 0 | 0 | 592,738 |
| Food services | 359,974 | 0 | 6,220,352 | 6,580,326 |
| Community service programs | 21,789 | 0 | 41,101 | 62,890 |
| Capital outlay | 13,260 | 6,216,713 | 2,892,043 | 9,122,016 |
| Debt service | | | | |
| Principal retirement | 0 | 0 | 1,979,742 | 1,979,742 |
| Interest and bank charges | 0 | 0 | 1,909,604 | 1,909,604 |
| Total Expenditures | 76,329,059 | 6,216,713 | 26,202,404 | 108,748,176 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ 4,601,080 | \$ (6,192,389) | \$ (3,428,426) | \$ (5,019,735) |

(CONTINUED)

VERNON PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

Statement E

| | GENERAL | LEESVILLE HIGH SCHOOL CONSTRUCTION | NONMAJOR GOVERNMENTAL | TOTAL |
|---|----------------------|---|----------------------------------|----------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 1,842,717 | \$ 1,842,717 |
| Transfers out | (1,796,206) | 0 | (46,511) | (1,842,717) |
| Issuance of new debt | 0 | 0 | 3,550,737 | 3,550,737 |
| Refunding bonds issued | 0 | 0 | 8,860,000 | 8,860,000 |
| Payments to refunded bond escrow agent | 0 | 0 | (8,575,000) | (8,575,000) |
| Total Other Financing Sources (Uses) | (1,796,206) | 0 | 5,631,943 | 3,835,737 |
| Net Change in Fund Balances | 2,804,874 | (6,192,389) | 2,203,517 | (1,183,998) |
| FUND BALANCES - BEGINNING | 22,376,728 | 21,461,276 | 5,625,415 | 49,463,419 |
| FUND BALANCES - ENDING | \$ 25,181,602 | \$ 15,268,887 | \$ 7,828,932 | \$ 48,279,421 |

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

VERNON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2012**

Statement F

Total net change in fund balances - governmental funds \$ (1,183,998)

Amounts reported for governmental activities in the Statement of Activities are different because

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense for assets over the capitalization threshold. This is the amount by which depreciation exceeds capital outlays in the period.

| | | |
|--------------------------|--------------------|-----------|
| Capital outlay additions | \$ 9,122,016 | |
| Depreciation expense | <u>(1,964,183)</u> | 7,157,833 |

The Statement of Activities reflects the effects of the disposition of capital assets during the year. The cost less the depreciation (net value) of the items disposed of during the year are not reflected in the fund balance (2,350)

The issuance of long-term debt provides current financial resources of the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

| | | |
|-----------------------------|--|-------------|
| Issuance of new debt | | (3,550,737) |
| Refunding bonds issued | | (8,860,000) |
| Payment to escrow agent | | 8,575,000 |
| Repayment of bond principal | | 1,979,742 |

In the Statement of Activities, certain operating expenses—compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$619,232) exceeded the amounts earned (\$599,245) by \$19,987 19,987

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | | |
|--|--|--------------------|
| Increase of interest payable | | (73,090) |
| Increase of incurred but not reported workers' compensation claims | | (140,987) |
| Increase in OPEB liabilities | | <u>(9,408,764)</u> |

Change in net assets of governmental activities \$ (5,487,364)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

VERNON PARISH SCHOOL BOARD
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES
June 30, 2012

Statement G

**AGENCY
FUNDS**

| | |
|---------------------------|----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 1,192,653 |
| Investments | 171,282 |
| Accounts receivables | <u>3,308,094</u> |
| TOTAL ASSETS | <u>4,672,029</u> |
| | |
| LIABILITIES | |
| Deposits due others | <u>4,672,029</u> |
| TOTAL LIABILITIES | <u>\$ 4,672,029</u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

| <u>INDEX</u> | <u>Page</u> |
|--|-------------|
| NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES | 53 |
| A REPORTING ENTITY | 53 |
| B FUNDS | 53 |
| C MEASUREMENT FOCUS AND BASIS OF ACCOUNTING | 54 |
| D CASH AND CASH EQUIVALENTS | 55 |
| E INVESTMENTS | 55 |
| F SHORT-TERM INTERFUND RECEIVABLES/PAYABLES | 57 |
| G ELIMINATION AND RECLASSIFICATIONS | 57 |
| H INVENTORY | 57 |
| I CAPITAL ASSETS | 57 |
| J DEFERRED REVENUES | 57 |
| K COMPENSATED ABSENCES | 58 |
| L LONG-TERM LIABILITIES | 58 |
| M RESTRICTED NET ASSETS | 59 |
| N FUND BALANCES OF FUND FINANCIAL STATEMENTS | 59 |
| O INTERFUND ACTIVITY | 59 |
| P SALES TAXES | 60 |
| Q BUDGETS | 60 |
| R USE OF ESTIMATES | 61 |
| NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY | 61 |
| NOTE 3 - LEVIED TAXES | 61 |
| NOTE 4 - DEPOSITS AND INVESTMENTS | 63 |
| NOTE 5 - RECEIVABLES | 64 |
| NOTE 6 - CAPITAL ASSETS | 65 |
| NOTE 7 - RETIREMENT SYSTEMS | 65 |
| NOTE 8 - OTHER POST EMPLOYMENT BENEFITS | 67 |
| NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES | 69 |
| NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) | 69 |
| NOTE 11 - SALES TAX COLLECTIONS AND DISBURSEMENTS (CASH BASIS) | 70 |
| NOTE 12 - LONG-TERM LIABILITIES | 71 |
| NOTE 13 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY) | 73 |
| NOTE 14 - RESTRICTED NET ASSETS FOR WORKERS' COMPENSATION | 74 |
| NOTE 15 - INTERFUND TRANSFERS (FFS LEVEL ONLY) | 74 |
| NOTE 16 - ENCUMBRANCES (FFS LEVEL ONLY) | 74 |
| NOTE 17 - RISK MANAGEMENT | 74 |
| NOTE 18 - LITIGATION AND CLAIMS | 75 |
| NOTE 19 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES | 76 |
| NOTE 20 - ECONOMIC DEPENDENCY | 76 |
| NOTE 21 - CHANGES IN PRESENTATION | 76 |
| NOTE 22 - SUBSEQUENT EVENTS | 76 |
| NOTE 23 - FUND BALANCE CLASSIFICATION DETAILS | 77 |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Vernon Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The Vernon Parish School Board was created by Louisiana Revised Statute LSA-R S 17:51 to provide public education for the children within Vernon Parish. The School Board is authorized by LSA-R S 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of thirteen members who are elected from seven districts for terms of four years.

The School Board operates nineteen schools within the parish with a total enrollment of 10,181 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary.

Governmental Funds Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General fund - The primary operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Leesville High School Construction - This fund is to account for the expenses associated with the new bond sale for the Leesville High School construction project.

Fiduciary Funds Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activities fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Scholarship fund - accounts for voluntary employee contributions and is used to provide an annual scholarship for a graduate from the parish schools.

Sales tax fund - accounts for monies collected on behalf of other taxing authorities within the parish.

Protested Sales tax fund - accounts for collection of sales tax receipts by the Sales Tax Agency that are paid under protest and are set aside until the protest has been resolved.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales Taxes are recognized when underlying exchange transaction occurs and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Under state law, the School Board may invest in United States bonds, treasury notes or certificates. If the original maturities of investments exceed 90 days, they are classified as investments, however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in certificates of deposits are stated at amortized cost. Investments in U.S. Treasury securities are stated at market value. Investments in the Louisiana Asset Management Pool (LAMP) are valued at market value.

The investments are reflected at market value except for the following which are permitted per GASB Statement No. 31:

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure

The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less

Definitions

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts

Money market investments are short-term, highly liquid debt instruments that include U S Treasury obligations

The School Board participates in the Louisiana Asset Management Pool, Inc (LAMP) which is an external investment pool that is not SEC-registered Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC

LAMP is administered by LAMP, Inc , a non-profit corporation organized under the laws of the State of Louisiana Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R S 33 2955

GASB Statement No 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments

LAMP is a 2a7-like investment pool The following facts are relevant for 2a7-like investment pools

- Credit risk LAMP is rated AAAM by Standard & Poor's
- Custodial credit risk LAMP participants' investments in the pool are evidenced by share of the pool Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form The public entity's investment is with the pool, not the securities that make up the pool, therefore, no disclosure is required
- Concentration of credit risk Pooled investments are excluded from the 5 percent disclosure requirement
- Interest rate risk LAMP is designed to be highly liquid to give its participants immediate access to their account balances LAMP prepares its own interest rate risk disclosures using the weighted average maturity (WAM) method The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days The WAM for LAMP's total investment is 53 days as of June 30, 2012
- Foreign currency risk Not applicable to 2a7-like pools

The investments in LAMP are stated at fair value based on quoted market rates The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

LAMP, Inc is subject to the regulatory oversight of the state treasurer and the board of directors LAMP is not registered with the SEC as an investment company

An annual audit of LAMP is conducted by an independent certified public accountant The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP

LAMP issues financial reports These financial reports can be obtained by writing LAMP, Inc , 228 St Charles Avenue, Suite 1123, New Orleans, LA 70130

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet Short-term interfund loans are classified as interfund receivables/payables

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column Interfund services provided and used are not eliminated in the process of consolidation

H. INVENTORY Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry Unused commodities at June 30 are reported as unearned revenue All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value) The capitalization threshold is \$5,000 for capital assets and \$100,000 for intangibles-software Donated capital assets are recorded at their estimated fair value at the date of donation Estimated useful live is management's estimate of how long the asset is expected to meet service demands Vehicles and trailers are assigned a salvage value of five percent of historical costs Straight line depreciation is used based on the following estimated useful lives

| | |
|-------------------------|-------------|
| Buildings | 10-40 years |
| Furniture and equipment | 3-10 years |
| Intangibles-software | 3-5 years |

J. DEFERRED REVENUES The School Board reports unearned revenues on its Statement of Net Assets and fund balance sheet Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

K. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Employees cannot accumulate more than 13 days of vacation leave. Upon retirement, unused vacation leave of up to 13 days is paid to employees.

All School Board employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The School Board's recognition and measurement criteria for compensated absences follow:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals. The School Board uses this approach to accrue the liability for sick leave which includes salary related payments. The School Board accrues those employees that have a minimum experience of 20 years.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34, the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. All restricted net assets reported in the statement of net assets are restricted by enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, then restricted resources as needed.

N. FUND EQUITY OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority in the form of a motion by the board. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds, which is removed or changed by a board motion. Committed fund balance is the result of either a policy of the School Board or motions were passed at a School Board meeting committing the funds. The motions passed are usually the result of budget revisions.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned: Fund balance that is the residual classification for the general fund. Negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The School Board considers restricted amounts to have been spent when an expenditure has incurred for purposes for which both restricted and unrestricted fund balance is available.

O. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

P. SALES TAXES The Vernon Parish School Board has the following two sales tax ordinances

The School Board collects a one cent parish-wide sales and use tax as authorized in a special election held January 12, 1991. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System" and for benefits of the retirees of the Vernon Parish School System

The School Board collects a one cent parish-wide sales and use tax authorized in a special election held March 31, 1973. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System "

Q. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were several revisions made to the 2011-2012 general fund original budget. Budgeted amounts available for appropriations were increased by \$5.2 million. Budgeted charges to appropriations were also increased by \$3.2 million.

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

**Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012**

R. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures Over Appropriations in Individual Funds The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2012:

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Unfavorable Variance</u> |
|---------------------|---------------|---------------|---------------------------------|
| Ward 4 Maintenance | \$ 183,806 | \$ 183,864 | \$ (58) |
| Ward 6 Maintenance | 38,014 | 38,086 | (72) |
| Other Special Funds | 756,045 | 757,145 | (1,100) |
| Title III | 11,343 | 11,349 | (6) |

B. Deficit Fund Balances The following nonmajor funds reported a deficit fund balance for the year ended June 30, 2012:

| <u>Fund</u> | <u>Amount</u> |
|---------------------|---------------|
| Orange Construction | \$ 192,216 |

The cause of the deficit fund balances at year end was due to the recording of retainage payable attributable to the fiscal year ended June 30, 2012.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Vernon Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Vernon Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Vernon Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

| | <u>Property Tax Calendar</u> |
|------------------|------------------------------|
| Assessment date | January 1, 2011 |
| Levy date | August 4, 2012 |
| Tax bills mailed | November 22, 2012 |
| Due date | December 31, 2011 |
| Collection Date | December 2011-February 2012 |
| Lien date | May 2, 2012 |
| Tax sale – 2011 | May 2, 2012 |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Assessed values are established by the Vernon Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value

| | |
|------------------------------|---|
| 10% land | 15% industrial improvements |
| 15% machinery | 15% commercial improvements |
| 10% residential improvements | 25% public service properties, excluding land |

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2008. Total assessed value was \$168,097,320 in calendar year 2011. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$47,441,907 of the assessed value in calendar year 2011.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general, special revenue funds and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected with the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year, therefore, the amount of 2011 property taxes to be collected occurs in December and January and February of the next year.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes

| | <u>Date of Voter Approval</u> | <u>Authorized</u> | <u>Levied Millage</u> | <u>Expiration Date</u> |
|------------------------------------|-----------------------------------|-------------------|---------------------------|----------------------------|
| Parish-wide taxes | | | | |
| Constitutional and Operations | Statutory | 4 18 | 4 18 | Statutory |
| Maintenance and Operations | April 23, 2005 | 8 12 | 8 12 | 2014 |
| District Taxes | | | | |
| Ward | | | | |
| 1 | April 23, 2005 | 13 03 | 13 03 | 2014 |
| 2 Hornbeck | November 12, 2005 | 23 32 | 23 32 | 2015 |
| 2 Orange | April 23, 2005 | 13 24 | 13 24 | 2014 |
| 3 | April 29, 2006 | 18 77 | 18 77 | 2016 |
| 4 Pickering | November 15, 2003 | 14 14 | 14 14 | 2013 |
| 5 | November 15, 2003 | 18 65 | 18 65 | 2013 |
| 6 | November 15, 2003 | 12 60 | 12 60 | 2013 |
| 7 | April 29, 2006 | 17 42 | 17 42 | 2016 |
| 8 | November 15, 2003 | 13 73 | 13 73 | 2013 |
| District Sinking Fund Taxes | | | | |
| 1 | May 4, 2002 | Variable | 40 79 | 2021 |
| 2 Orange | November 4, 2008 | Variable | 29 52 | 2033 |
| 2 Hornbeck | January 19, 1985 | Variable | 9 93 | 2014 |
| 3 | February 9, 2008 | Variable | 49 82 | 2037 |
| 4 Pickering | September 18, 2004 | Variable | 17 71 | 2024 |
| 5 | April 5, 2003 | Variable | 19 67 | 2022 |
| 6 | January 18, 1992 | Variable | 40 62 | 2021 |
| 7 | May 3, 2003 | Variable | 25 68 | 2022 |
| 8 | September 18, 2004 | Variable | 37 78 | 2034 |

NOTE 4 - DEPOSITS AND INVESTMENTS Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2012, the School Board had the following investments:

| <u>Investment type</u> | <u>Maturities</u> | <u>Fair Value</u> |
|---|-------------------|----------------------|
| Louisiana Asset Management Pool (LAMP) | Less than 1 year | \$ 25,782,647 |
| Certificates of Deposit | Less than 1 year | 16,494,328 |
| Certificates of Deposit | 1 – 5 years | 13,515 |
| Municipal Bonds (Bond Rating Aa3) | > 5 years | 51,690 |
| Build American Bonds Income Trust (Not rated) | | 102,835 |
| Stock Certificates | | 3,242 |
| Total | | \$ 42,448,257 |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Total investments of the School Board are \$42,448,257, however, \$171,282 is reported in agency funds (Statement G) The municipal bonds, build american bonds income trust and stock certificates were donated to Pitkin High School FFA for educational training on the stock market The school does not invest school funds but uses the donated funds for training, in which all earnings and losses flow through the account

Interest Rate Risk The School Boards' policy does not address interest rate risk

Credit Risk The School Board invests in certificates of deposit and U S Treasury obligations which do not have credit ratings The School Board's investment in LAMP was rated AAAM by Standard & Poor's The School Board's policy does not address credit rate risk

Custodial Credit Risk-Deposits In the case of deposits this is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it As of June 30, 2012 the School Board's bank balance was \$33,410,474 (including \$16,558,274 which is in certificates of deposit, classified as investments under Statement A and Statement G) Of the bank balance, \$1,806,458 was covered with federal depository insurance or by collateral held by the School Board's name The remaining \$31,604,016 was collateralized with security held by pledging financial institutions trust department or agent but not in the School Board's name Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statue 39 1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon request The School Board has no formal custodial credit risk for deposit policy

NOTE 5 - RECEIVABLES The receivables at June 30, 2012, are as follows

| <u>Class of Receivables</u> | <u>General</u> | <u>Nonmajor Governmental</u> | <u>Total</u> |
|-----------------------------------|---------------------|----------------------------------|---------------------|
| Taxes | | | |
| Ad Valorem | \$ 159,998 | \$ - | \$ 159,998 |
| Sales Tax | 1,356,895 | 19,655 | 1,376,550 |
| Intergovernmental - grants | | | |
| Federal | 981,166 | 3,080,567 | 4,061,733 |
| State | 22,058 | 91,205 | 113,263 |
| Other | 41,937 | 125,180 | 167,117 |
| Total | <u>\$ 2,562,054</u> | <u>\$ 3,316,607</u> | <u>\$ 5,878,661</u> |

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2012 is as follows

| | Balance Beginning | Additions | Deletions | Balance Ending |
|---|----------------------|---------------------|---------------------|----------------------|
| Governmental activities | | | | |
| Capital asset not being depreciated | | | | |
| Land | \$ 1,354,547 | \$ - | \$ 2,350 | \$ 1,352,197 |
| Construction in progress | 2,968,748 | 8,886,268 | 2,082,191 | 9,772,825 |
| Total capital assets not being depreciated | <u>4,323,295</u> | <u>8,886,268</u> | <u>2,084,541</u> | <u>11,125,022</u> |
| Capital assets being depreciated | | | | |
| Buildings | 61,243,261 | 2,082,192 | 111,161 | 63,214,292 |
| Furniture and equipment | 7,198,912 | 235,747 | 431,508 | 7,003,151 |
| Total capital assets being depreciated | <u>68,442,173</u> | <u>2,317,939</u> | <u>542,669</u> | <u>70,217,443</u> |
| Less accumulated depreciation | | | | |
| Buildings | 30,233,147 | 1,359,759 | 111,161 | 31,481,745 |
| Furniture and equipment | 4,808,330 | 604,424 | 431,508 | 4,981,246 |
| Total accumulated depreciation | <u>35,041,477</u> | <u>1,964,183</u> | <u>542,669</u> | <u>36,462,991</u> |
| Total capital assets being depreciated, net | <u>33,400,696</u> | <u>353,756</u> | <u>-</u> | <u>33,754,452</u> |
| Governmental activities | | | | |
| Capital assets, net | <u>\$ 37,723,991</u> | <u>\$ 9,240,024</u> | <u>\$ 2,084,541</u> | <u>\$ 44,879,474</u> |

Depreciation expense was charged to governmental activities as follows

| | |
|---------------------------------|---------------------|
| Regular programs | \$ 1,202,281 |
| Special programs | 130,709 |
| Other instructional programs | 79,607 |
| Instructional staff support | 1,758 |
| General administration | 38,180 |
| School administration | 77,319 |
| Plant services | 101,197 |
| Student transportation services | 108,669 |
| Food services | 224,463 |
| Total depreciation expense | <u>\$ 1,964,183</u> |

NOTE 7 - RETIREMENT SYSTEMS

Plan Description As required by state statute, substantially all School Board employees participate in either the Teachers' Retirement System of Louisiana or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS) Benefit provisions are ultimately approved and amended by the Louisiana Legislature Participation in the Teachers' Retirement System of Louisiana is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRSL), other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS) Generally, all full-time employees are eligible to participate in the system

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

With respect to the Teachers' Retirement System of Louisiana Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System of Louisiana Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRSL and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
 Post Office Box 94123
 Baton Rouge, Louisiana 70804-9123
 (225) 925-6446

Louisiana School Employees' Retirement System
 Post Office Box 44516
 Baton Rouge, Louisiana 70804
 (225) 925-6484

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System of Louisiana, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2012, are as follows:

| | Employee | Employer |
|---|------------|----------|
| Teachers' Retirement System of Louisiana | | |
| Regular | 8.00% | 23.70% |
| Plan A | 9.10% | 23.70% |
| Louisiana School Employees' Retirement System | 7.50/8.00% | 28.60% |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Total covered payroll of the School Board for TRSL - Regular Plan, TRSL - Plan A, and LSERS for the year ended June 30, 2012, amounted to \$46,426,959, \$41,544, and \$4,649,137, respectively. Employer annual actuarially required contributions for the year ended June 30, 2012 and each of the two preceding years are as follows:

| <u>Fiscal Year Ended</u> | <u>TRSL</u> | <u>LSERS</u> |
|--------------------------|--------------|--------------|
| June 30, 2010 | \$ 7,195,961 | \$ 837,574 |
| June 30, 2011 | 9,337,355 | 1,099,625 |
| June 30, 2012 | 11,012,961 | 1,329,654 |

The above annual required contributions were made in full.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS

Plan Description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board's OPEB Plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB Plan is reported based on communication to plan members. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The healthcare and life insurance premiums are paid 25% by the retiree and 75% by the employer.

The plan is currently financed on a pay-as-you-go basis, with the School Board contributing \$4,586,439 for 579 retirees.

The plan does not issue a separate report.

Annual Other Post Employment Benefit Cost and Liability - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009 prospectively. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30-year, closed amortization period had been used. The level-dollar amortization method is used. The total ARC for fiscal year 2012 is \$13,084,400 as set forth below:

| | |
|------------------------------------|----------------------|
| Normal Cost | \$ 6,097,831 |
| 30-year UAL amortization amount | 6,986,569 |
| Annual required contribution (ARC) | <u>\$ 13,084,400</u> |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

The following table presents the School Board's OPEB Obligation for fiscal years 2012, 2011, and 2010

| | 2012 | 2011 | 2010 |
|--|----------------------|----------------------|----------------------|
| Beginning Net OPEB Obligation July 1 | \$ 22,770,078 | \$ 14,090,608 | \$ 7,277,791 |
| Annual required contribution | 13,084,400 | 13,084,400 | 11,175,173 |
| Interest on prior year Net OPEB Obligation | 910,803 | 563,624 | 291,112 |
| Adjustment to ARC | - | (845,619) | (420,876) |
| Annual OPEB Cost | 13,995,203 | 12,802,405 | 11,045,409 |
| Less current year retiree premiums | (4,586,439) | (4,122,935) | (4,232,592) |
| Increase in Net OPEB Obligation | 9,408,764 | 8,679,470 | 6,812,817 |
| Ending Net OPEB Obligation at June 30 | <u>\$ 32,178,842</u> | <u>\$ 22,770,078</u> | <u>\$ 14,090,608</u> |
| Percentage of annual OPEB cost contributed | 32 8% | 32 2% | 38 3% |

Funded Status and Funding Progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$116,417,734 was unfunded

The funded status of the plan, as determined by an actuary as of July 1, 2010, was as follows

| | 2012 |
|---|----------------|
| Actuarial accrued liability (AAL) | \$ 116,417,734 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | \$ 116,417,734 |
| Funded ratio (actuarial value of plan assets/AAL) | 0% |
| Covered payroll | \$ 55,478,095 |
| UAAL as a percentage of covered payroll | 210% |

The Schedule of Funding Progress required supplemental information follows the notes. The Schedule presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2010, Vernon School Board actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return and initial actual healthcare cost trend rate of 6.7%, scaling down to ultimate rates of 4.4% per year. The inflation rate is a subset of the healthcare cost trend rate, in which a rate of 2.75% was assumed. The RP-2000 Static Health Mortality Table was used in making actuarial assumptions. Withdrawal rates for employees ranged from 7% at age 25 to 2% at age 50. Disability rates

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

ranged from 01% at age 25 to 47% at age 55 Retirement rates ranged from 5% at age 38 to 100% at age 72 The remaining amortization period at June 30, 2012, was twenty-six years

NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2012, are as follows

| | General | Leesville High School Construction | Nonmajor Governmental | Total |
|-----------|---------------------|--|--------------------------|---------------------|
| Salaries | \$ 4,912,632 | \$ - | \$ 1,501,146 | \$ 6,413,778 |
| Accounts | 191,975 | 695,347 | 551,901 | 1,439,223 |
| Retainage | - | 258,344 | 248,020 | 506,364 |
| Claims | 111,556 | - | - | 111,556 |
| Total | <u>\$ 5,216,163</u> | <u>\$ 953,691</u> | <u>\$ 2,301,067</u> | <u>\$ 8,470,921</u> |

NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposit due others follows

| | Balance at Beginning of year | Additions | Deletions | Balance at Ending of year |
|--------------------------|------------------------------------|----------------------|----------------------|---------------------------------|
| School activities agency | \$ 1,293,948 | \$ 3,255,790 | \$ 3,237,207 | \$ 1,312,531 |
| Scholarship | 2,701 | 2,099 | 1,934 | 2,866 |
| Sales tax agency | 2,822,804 | 29,304,594 | 28,819,304 | 3,308,094 |
| Protested sales tax * | 33,425 | 15,113 | - | 48,538 |
| Total | <u>\$ 4,152,878</u> | <u>\$ 32,577,596</u> | <u>\$ 32,058,445</u> | <u>\$ 4,672,029</u> |

* An adjustment was made to include prior balances not previously reported as an agency fund for protested taxes

The following details the changes in deposits due others for the Sales Tax Agency fund

| | |
|-----------------------------------|----------------------|
| Beginning Balance, June 30, 2011 | \$ 2,822,804 |
| Additions (Sales Tax Collections) | \$ 29,304,594 |
| Deductions | |
| Vernon Parish School Board | \$ 11,966,547 |
| Vernon Parish Police Jury | 8,973,442 |
| City of Leesville | 4,183,411 |
| Town of New Llano | 236,257 |
| Town of Rosepine | 114,811 |
| Town of Hornbeck | 38,509 |
| Vernon Parish Sheriff's Office | 2,990,986 |
| Tourism & Use Tax Collections | 315,341 |
| Total Deductions | <u>\$ 28,819,304</u> |
| Ending Balance, June 30, 2012 | <u>\$ 3,308,094</u> |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 11 - SALES TAX COLLECTIONS AND DISBURSEMENTS (CASH BASIS) The following are schedules of the sales tax collections and disbursements on a cash basis collected in behalf of payments made to local governmental entities for the fiscal year ended June 30, 2012

| | <u>Total Collections</u> | <u>Collection Fees</u> | <u>Total Disbursements</u> |
|---------------------------------------|--------------------------|------------------------|--------------------------------|
| Vernon Parish School Board (2%) | | | |
| School Board (1%) 1973 | \$ 5,983,274 | \$ 89,749 | \$ 5,893,525 |
| School Board (1%) 1991 | 5,983,273 | 89,749 | 5,893,524 |
| | <u>11,966,547</u> | <u>179,498</u> | <u>11,787,049</u> |
| Vernon Parish Police Jury (1 5%) | | | |
| Police Jury (1%) 2006 | 5,982,295 | 89,735 | 5,892,560 |
| Police Jury (0 5%) 2006 | 2,991,147 | 44,867 | 2,946,280 |
| | <u>8,973,442</u> | <u>134,602</u> | <u>8,838,840</u> |
| Law Enforcement District (0 5%) 2004 | <u>2,990,986</u> | <u>44,865</u> | <u>2,946,121</u> |
| Town of Leesville (1 5%) | | | |
| Town of Leesville (1%) 2004 | 2,788,941 | 41,834 | 2,747,107 |
| Town of Leesville (0 5%) 2004 | 1,394,470 | 20,917 | 1,373,553 |
| | <u>4,183,411</u> | <u>62,751</u> | <u>4,120,660</u> |
| Village of Rosepine (1 5%) | | | |
| Village or Rosepine (1%) 2011 Renewal | 96,938 | 1,454 | 95,484 |
| Village of Rosepine (5%) 2011 * | 17,873 | 268 | 17,605 |
| | <u>114,811</u> | <u>1,722</u> | <u>113,089</u> |
| Village of New Llano (1 5%) | | | |
| Village of New Llano (1%) | 157,505 | 2,363 | 155,142 |
| Village of New Llano (5%) 2007 | 78,752 | 1,181 | 77,571 |
| | <u>236,257</u> | <u>3,544</u> | <u>232,713</u> |
| Town of Hornbeck (1%) | <u>38,509</u> | <u>578</u> | <u>37,931</u> |
| Tourism (3%) | <u>315,341</u> | <u>4,730</u> | <u>310,611</u> |
| Total | <u>\$ 28,819,304</u> | <u>\$ 432,290</u> | <u>\$ 28,387,014</u> |

* Collections started January 1, 2012

A total of \$34,933 91 was billed to these entities for audit fees paid to external auditors

Payments were made from each entity directly to the external auditor

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 12 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2012

| | Beginning Balance | Additions | Deletions | Ending Balance | Amounts Due Within One year |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|--------------------------------|
| Governmental Activities | | | | | |
| Bonds payable | | | | | |
| General Obligation debt | \$ 42,074,641 | \$ 10,810,737 | \$ 10,554,742 | \$ 42,330,636 | \$ 2,114,486 |
| Excess Revenue | | | | | |
| Certificate of Indebtedness | - | 1,600,000 | - | 1,600,000 | 305,000 |
| Other liabilities | | | | | |
| Worker's Compensation | 514,311 | 771,870 | 630,883 | 655,298 | 557,780 |
| Compensated absences | 1,096,085 | 599,245 | 619,232 | 1,076,098 | 619,232 |
| OPEB liability | 22,770,078 | 13,995,203 | 4,586,439 | 32,178,842 | - |
| Governmental activities | | | | | |
| Long-term liabilities | <u>\$ 66,455,115</u> | <u>\$ 27,777,055</u> | <u>\$ 16,391,296</u> | <u>\$ 77,840,874</u> | <u>\$ 3,596,498</u> |

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 90% was paid by the general fund, 3% by Special Education fund, 3% by the school food service fund and the remaining 5% by other governmental funds. The payments on the capital lease, workers' compensation claims payable, and OPEB liability are made by the general fund.

Advance Refunding

In May 2012, the School Board issued \$2,465,000 of general obligation school refunding bonds for Ward V to provide resources for all future debt service payments of \$2,375,000 of general obligation bonds. This advanced refunding was undertaken to reduce the future debt service payments over the next twelve years by \$214,517 and resulted in an economic gain of \$174,997. Additionally, in December 2011, the School Board issued \$2,835,000 of general obligation school refunding bonds for Ward VII to provide resources for all future debt service payments of \$2,740,000 of general obligation bonds. This advanced refunding was undertaken to reduce the future debt service payments over the next twelve years by \$200,251 and resulted in an economic gain of \$158,734.

These bonds were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$5,115,000 of general obligation bonds. As a result, these refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column in the Statement of Net Assets.

Current Refunding

In December 2011, the School Board issued \$3,560,000 of general obligation school refunding bonds for Ward I to provide the resources for all future debt service payments of \$3,460,000 of the general obligation bonds. This current refunding was undertaken to reduce total debt service payments over the next eleven years by \$328,204 and resulted in an economic gain of \$328,440.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

The following table lists the pertinent information on each outstanding issue

| | <u>Original Issue</u> | <u>Interest Rates</u> | <u>Final Payment Due</u> | <u>Interest to Maturity</u> | <u>Principal Outstanding</u> |
|---|-----------------------|-----------------------|----------------------------------|---------------------------------|----------------------------------|
| WARD I | | | | | |
| September 01, 2010 | \$ 21,500,000 | 2 00 - 4 00 | 2030 | \$ 8,146,275 | \$ 20,750,000 |
| December 12, 2012 (Refunding) | 3,560,000 | 2 34 | 2022 | 472,914 | 3,506,000 |
| WARD II - HORNBECK | | | | | |
| June 01, 2001 | 600,000 | 10-3 95 | 2021 | 63,375 | 355,000 |
| WARD II - ORANGE | | | | | |
| April 01, 2009 | 425,000 | 4 10 | 2024 | 123,003 | 405,000 |
| April 01, 2009 | 75,000 | | 2024 | - | 30,000 |
| July 21, 2010 | 3,035,328 | 4 00 | 2035 | 1,618,971 | 3,035,328 |
| WARD III | | | | | |
| November 1, 2007 (Refunding) | 900,000 | 4 25 | 2022 | 164,178 | 659,000 |
| May 01, 2008 | 2,225,000 | 3 00 - 6 00 | 2033 | 1,124,845 | 2,075,000 |
| August 26, 2011 | 640,700 | 4 25 | 2041 | 520,510 | 640,700 |
| WARD IV | | | | | |
| March 01, 2005 | 3,200,000 | 4 05 - 5 05 | 2025 | 901,405 | 2,475,000 |
| WARD V | | | | | |
| August 01, 2003 | 3,800,000 | 3 85 - 5 50 | 2023 | 6,930 | 180,000 |
| June 14, 2012 (Refunding) | 2,465,000 | 3 85 - 5 50 | 2023 | 460,038 | 2,465,000 |
| WARD VI | | | | | |
| November 26, 2007 (Refunding) | 949,000 | 1 00 - 4 5 | 2021 | 141,844 | 646,000 |
| February 23, 2011 (Refunding) | 381,000 | 2 00 - 4 00 | 2030 | 155,280 | 367,000 |
| WARD VII | | | | | |
| July 1, 2004 (Refunding) | 775,000 | 3 85 | 2015 | 19,828 | 250,000 |
| September 01, 2003 | 4,400,000 | 5 00 | 2023 | 7,790 | 205,000 |
| June 14, 2012 (Refunding) | 2,835,000 | 2 67 | 2023 | 818,618 | 2,835,000 |
| WARD VIII | | | | | |
| July 18, 2006 | 1,570,000 | 4 50 | 2037 | 988,036 | 1,451,608 |
| Total general obligation bonds | | | | <u>\$ 15,733,840</u> | <u>\$ 42,330,636</u> |
| Excess Revenue Certificate Of Indebtedness | | | | | |
| May 10, 2012 | 1,600,000 | 1 55 | 2017 | <u>\$ 74,865</u> | <u>\$ 1,600,000</u> |

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At year end, the School Board has accumulated \$2,363,758 in the debt service funds for future debt requirements. The bonds are due as follows:

| Year Ending June 30, | Bonds | | Total |
|----------------------|-----------------------|----------------------|----------------------|
| | Principal Payments | Interest Payments | |
| 2013 | \$ 2,419,486 | \$ 1,529,370 | \$ 3,948,856 |
| 2014 | 2,533,401 | 1,476,917 | 4,010,318 |
| 2015 | 2,627,177 | 1,409,142 | 4,036,319 |
| 2016 | 2,622,194 | 1,336,860 | 3,959,054 |
| 2017 | 2,740,460 | 1,266,481 | 4,006,941 |
| 2018-2022 | 13,310,786 | 5,094,882 | 18,405,668 |
| 2023-2027 | 9,676,459 | 2,820,247 | 12,496,706 |
| 2028-2032 | 6,748,479 | 738,126 | 7,486,605 |
| 2033-2037 | 1,087,394 | 113,881 | 1,201,275 |
| 2038-2042 | 164,800 | 22,800 | 187,600 |
| Total | <u>\$43,930,636</u> | <u>\$ 15,808,706</u> | <u>\$ 59,739,342</u> |

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At year end, the statutory limit is \$84,048,660 and outstanding net bonded debt totals \$39,966,878.

NOTE 13 - INTERFUND ASSETS / LIABILITIES (FFS LEVEL ONLY)

| <u>Receivable Fund</u> | <u>Amount</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---------------------|-----------------------|---------------------|
| Nonmajor Governmental | \$ 127,701 | General Fund | \$ 127,701 |
| Nonmajor Governmental | 19,782 | Nonmajor Governmental | 19,782 |
| General Fund | 1,764,350 | Nonmajor Governmental | 1,764,350 |
| Total | <u>\$ 1,911,833</u> | | <u>\$ 1,911,833</u> |

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement requisitions are deposited.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 14 - RESTRICTED NET ASSETS FOR WORKERS' COMPENSATION The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's \$646,000 U S Government Security. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit. The following is a summary of transactions relating to the restricted net assets for the year ended June 30, 2012.

| | | |
|--------------------|--|-------------------|
| Balance, beginning | | \$ 646,000 |
| Additions | | - |
| Deletions | | - |
| Balance, ending | | <u>\$ 646,000</u> |

NOTE 15 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

| <u>Transfer In Fund</u> | <u>Amount</u> | <u>Transfer Out Fund</u> | <u>Amount</u> |
|-------------------------|---------------------|--------------------------|---------------------|
| Nonmajor Governmental | \$ 1,796,206 | General | \$ 1,796,206 |
| Nonmajor Governmental | 46,511 | Nonmajor Governmental | 46,511 |
| Totals | <u>\$ 1,842,717</u> | | <u>\$ 1,842,717</u> |

The purpose of interfund transfers was due mainly to transferring money to School Food Service to cover shortfalls in that fund.

NOTE 16 - ENCUMBRANCES (FFS LEVEL ONLY) Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2012, the School Board had entered into purchase orders and commitments as follows:

| <u>Fund</u> | <u>General</u> | <u>Nonmajor Governmental</u> | <u>Total</u> |
|-------------|------------------|----------------------------------|------------------|
| Totals | <u>\$ 24,485</u> | <u>\$ 46,994</u> | <u>\$ 71,479</u> |

NOTE 17 - RISK MANAGEMENT The School Board is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2012 such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$300,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The liability does not include incremental costs, if any.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Changes in the claims amount in previous fiscal years were as follows

| <u>Years Ended June 30</u> | <u>Beginning of Fiscal Year Liability</u> | <u>Claims and Changes in Estimates</u> | <u>Benefit Payment and Claims</u> | <u>Ending of Fiscal Year Liability</u> |
|----------------------------|---|--|-----------------------------------|--|
| 2010 | \$ 536,659 | \$ 644,053 | \$ 651,801 | \$ 528,911 |
| 2011 | 528,911 | 793,191 | 738,711 | 583,391 |
| 2012 | 583,391 | 771,870 | 588,407 | 766,854 |

Of the total liability of \$766,854, \$111,556 is recorded as an accounts payable on the governmental funds balance sheet (Statement C) and the remaining liability of \$655,298 is recorded as long-term debt in the statement of net assets (Statement A), in which \$557,780 is considered due within one year

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School Board also participates in an entity risk pool for insurance coverage, including property and casualty insurance and the reinsurance of such coverage, in order to provide a more efficient and effective way to acquire insurance coverage. The entity risk pool is known as Property Casualty Alliance of Louisiana (PCAL), which is established only for School Boards and is overseen by a board made up of School Board Members. The responsibilities of the School Board is to pay contributions based upon a risk-funding plan developed by the Program as well as to have a loss prevention plan to make all reasonable efforts to eliminate and minimize hazards that would contribute to property/casualty losses. The pool is responsible for handling any and all claims after notice of loss has been received.

NOTE 18 - LITIGATION AND CLAIMS

Litigation At June 30, 2012, the School Board is involved in various litigations. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

Self-Insurance The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$300,000 per occurrence for each employee.

Construction Projects The School Board is in the process of renovating the Anacoco Schools and Leesville High. The construction in progress at June 30, 2012 totaled \$9,772,825 for the construction contract. The signed contracts for the renovations total \$21,125,256 and are expected to be completed during the 2012-2013 fiscal year.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Energy Performance Contract The School Board entered into an energy performance contract with TAC Americas, Inc. in May 2005 which includes an operational stipulated savings. The School Board contracts with Associated Design Group to monitor savings. The contract may be terminated by the School Board at any time by giving 30 days written notice. The Louisiana Attorney General recently issued an opinion (A.G. Opinion No. 07-0002) regarding a similar contract with another School Board and concluded that some of these contracts may not meet the statutory definition of a performance based energy contract. The School Board signed an addendum to the contract excluding the operational stipulated savings.

NOTE 19 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$17,619. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 20 - ECONOMIC DEPENDENCY Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. Approximately one-half of the student population consists of students from military families at Fort Polk. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$56,465,134 to the School Board, which represents approximately 54% of the School Board's total revenues for the year. Potentially up to approximately one-half of this Minimum Foundation funding is attributable to the students of military personnel. Additionally, the federal government provided \$10,030,372 in direct funding (Impact Aid) to the School Board.

NOTE 21 - CHANGES IN PRESENTATION For fiscal year ended June 30, 2011, the General fund, Title I and Leesville High School Construction fund were reported as major funds, however, for fiscal year ended June 30, 2012, the General fund and Leesville High School Construction fund are reported as major funds.

For the fiscal year ended June 30, 2011, the protested sales taxes were reported within the General Fund, however, for the fiscal year ended June 30, 2012, the protested taxes are reported as an agency fund due to being held for both the School Board and other taxing authorities until the protest has been resolved.

NOTE 22 - SUBSEQUENT EVENTS The School Board purchased 36 new school buses after year end to be paid with the \$1,600,000 certificate of indebtedness received during fiscal year ended June 30, 2012.

Vernon Parish School Board
Notes to the Basic Financial Statements
June 30, 2012

NOTE 23 - FUND BALANCE CLASSIFICATION DETAILS: The following are the details of the fund balance classifications

| | General | Leesville High School Construction | Nonmajor Governmental | Total |
|-----------------------------|----------------------|--|--------------------------|----------------------|
| Nonspendable | | | | |
| Inventory | \$ - | \$ - | \$ 101,861 | \$ 101,861 |
| Restricted | | | | |
| Worker's compensation | 646,000 | - | - | 646,000 |
| School food service | - | - | 142,023 | 142,023 |
| Debt service | - | - | 2,363,758 | 2,363,758 |
| School construction | - | 15,268,887 | 97 | 15,268,984 |
| Bus Purchases | - | - | 1,600,000 | 1,600,000 |
| Facility improvements | - | - | 2,370,514 | 2,370,514 |
| Grant funds | - | - | 142,201 | 142,201 |
| Committed | | | | |
| Food processing centers | - | - | 678 | 678 |
| Sales tax agency operations | - | - | 1,300,016 | 1,300,016 |
| Fire Insurance | 600,000 | - | - | 600,000 |
| Unassigned | 23,935,602 | - | (192,216) | 23,743,386 |
| Total | <u>\$ 25,181,602</u> | <u>\$ 15,268,887</u> | <u>\$ 7,828,932</u> | <u>\$ 48,279,421</u> |

**REQUIRED SUPPLEMENTARY
INFORMATION**

Vernon Parish School Board

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
June 30, 2012**

| Fiscal Year Ended | Actuarial Valuation Date | (a) Actuarial Value of Assets | (b) Actuarial Accrued Liability (AAL) | (b-a) Unfunded AAL (UAAL) | (a/b) Funded Ratio | (c) Covered Payroll | (b-a/c) UAAL as a Percentage of Covered Payroll |
|----------------------|--------------------------------|--|--|------------------------------|--------------------------|---------------------------|---|
| June 30, 2009 | 7/1/2008 | \$ - | \$ 99,368,018 | \$ 99,368,018 | 0% | \$ 53,693,729 | 185% |
| June 30, 2010 | 7/1/2008 | - | 99,368,018 | 99,368,018 | 0% | 54,420,359 | 183% |
| June 30, 2011 | 7/1/2010 | - | 116,417,734 | 116,417,734 | 0% | 54,928,180 | 212% |
| June 30, 2012 | 7/1/2010 | - | 116,417,734 | 116,417,734 | 0% | 55,478,095 | 210% |

Vernon Parish School Board

Budgetary Comparison Schedule

General Fund With a Legally Adopted Annual Budget

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds

VERNON PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2012**

Exhibit 1

| | BUDGETED AMOUNTS | | ACTUAL | VARIANCE WITH |
|--------------------------------------|----------------------|----------------------|----------------------|------------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | (Budgetary Basis) | POSITIVE (NEGATIVE) |
| BUDGETARY FUND BALANCES, BEGINNING | \$ 23,237,114 | \$ 22,376,728 | \$ 22,376,728 | \$ 0 |
| Resources (inflows) | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | 1,526,532 | 1,620,000 | 1,609,097 | (10,903) |
| Sales and use | 10,785,000 | 12,233,000 | 12,230,774 | (2,226) |
| Interest earnings | 232,737 | 116,200 | 116,337 | 137 |
| Other | 907,137 | 471,492 | 470,782 | (710) |
| State sources | | | | |
| Equalization | 54,839,734 | 56,042,374 | 56,006,033 | (36,341) |
| Other | 240,837 | 250,580 | 240,260 | (10,320) |
| Federal sources | 6,268,000 | 10,258,000 | 10,256,856 | (1,144) |
| Transfers from other funds | 759,000 | 583,500 | 583,422 | (78) |
| Amounts available for appropriations | <u>98,796,091</u> | <u>103,951,874</u> | <u>103,890,289</u> | <u>(61,585)</u> |
| Charges to appropriations (outflows) | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 32,751,177 | 33,646,527 | 33,787,292 | (140,765) |
| Special programs | 9,644,710 | 9,754,210 | 9,738,394 | 15,816 |
| Other instructional programs | 2,902,571 | 3,119,642 | 3,134,342 | (14,700) |
| Support services | | | | |
| Student services | 3,737,280 | 4,359,385 | 4,258,801 | 100,584 |
| Instructional staff support | 2,957,572 | 3,005,396 | 2,994,075 | 11,321 |
| General administration | 912,423 | 915,251 | 842,867 | 72,384 |
| School administration | 5,681,884 | 5,812,789 | 5,814,528 | (1,739) |
| Business services | 494,855 | 545,082 | 534,411 | 10,671 |
| Plant services | 6,800,089 | 7,246,653 | 7,276,178 | (29,525) |
| Student transportation services | 6,477,071 | 6,983,170 | 6,960,410 | 22,760 |
| Central services | 666,004 | 606,963 | 592,738 | 14,225 |
| Food services | 417,204 | 338,544 | 359,974 | (21,430) |
| Community service programs | 19,168 | 24,380 | 21,789 | 2,591 |
| Capital Outlay | 82,000 | 0 | 13,260 | (13,260) |
| Transfers to other funds | 1,975,650 | 2,380,000 | 1,796,206 | 583,794 |
| Total charges to appropriations | <u>75,519,658</u> | <u>78,737,992</u> | <u>78,125,265</u> | <u>612,727</u> |
| BUDGETARY FUND BALANCES, ENDING | <u>\$ 23,276,433</u> | <u>\$ 25,213,882</u> | <u>\$ 25,765,024</u> | <u>\$ 551,142</u> |

Vernon Parish School Board
Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2012

A. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were several revisions made to the 2011-2012 general fund original budget. Budgeted amounts available for appropriations were increased by \$5.2 million. Budgeted charges to appropriations were also increased by \$3.2 million.

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

VERNON PARISH SCHOOL BOARD

**Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2012**

Note B - Budget to GAAP Reconciliation

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

| | <u>GENERAL FUND</u> |
|--|-------------------------|
| <u>Sources/inflows of resources</u> | |
| Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule | \$ 103,890,289 |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial purposes | (583,422) |
| The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes | <u>(22,376,728)</u> |
| Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | <u>80,930,139</u> |
| <u>Uses/outflows of resources</u> | |
| Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule | 78,125,265 |
| Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes | <u>(1,796,206)</u> |
| Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | <u>\$ 76,329,059</u> |

**SUPPLEMENTARY INFORMATION
COMBINING
NONMAJOR GOVERNMENTAL FUNDS
AGENCY FUNDS**

VERNON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2012

Exhibit 2

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | TOTAL |
|--|----------------------------|----------------------------|-----------------------------|-----------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,927,493 | \$ 200,669 | \$ 1,600,088 | \$ 3,728,250 |
| Investments | 2,453,811 | 2,166,119 | 0 | 4,619,930 |
| Receivables | 3,192,307 | 0 | 124,300 | 3,316,607 |
| Interfund receivables | 147,483 | 0 | 0 | 147,483 |
| Inventory | 156,391 | 0 | 0 | 156,391 |
| TOTAL ASSETS | <u>7,877,485</u> | <u>2,366,788</u> | <u>1,724,388</u> | <u>11,968,661</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts, salaries and other payables | 1,993,030 | 3,030 | 305,007 | 2,301,067 |
| Interfund payables | 1,772,632 | 0 | 11,500 | 1,784,132 |
| Deferred revenues | 54,530 | 0 | 0 | 54,530 |
| Total Liabilities | <u>3,820,192</u> | <u>3,030</u> | <u>316,507</u> | <u>4,139,729</u> |
| Fund Balances | | | | |
| Nonspendable | 101,861 | 0 | 0 | 101,861 |
| Restricted | 2,654,738 | 2,363,758 | 1,600,097 | 6,618,593 |
| Committed | 1,300,694 | 0 | 0 | 1,300,694 |
| Unassigned | 0 | 0 | (192,216) | (192,216) |
| Total Fund Balances | <u>4,057,293</u> | <u>2,363,758</u> | <u>1,407,881</u> | <u>7,828,932</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 7,877,485</u> | <u>\$ 2,366,788</u> | <u>\$ 1,724,388</u> | <u>\$ 11,968,661</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances - By Fund Type
 For the Year Ended June 30, 2012

Exhibit 3

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | TOTAL |
|--|-----------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 1,795,515 | \$ 3,805,546 | \$ 0 | \$ 5,601,061 |
| Sales and use | 499 | 0 | 0 | 499 |
| Interest earnings | 8,535 | 3,518 | 102 | 12,155 |
| Food services | 1,004,166 | 0 | 0 | 1,004,166 |
| Other | 533,129 | 0 | 312 | 533,441 |
| State sources | | | | |
| Equalization | 459,101 | 0 | 0 | 459,101 |
| Other | 637,691 | 0 | 617,600 | 1,255,291 |
| Federal sources | 13,908,264 | 0 | 0 | 13,908,264 |
| Total Revenues | 18,346,900 | 3,809,064 | 618,014 | 22,773,978 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 3,779,216 | 0 | 0 | 3,779,216 |
| Special programs | 4,912,118 | 0 | 0 | 4,912,118 |
| Other instructional programs | 561,413 | 0 | 0 | 561,413 |
| Support services | | | | |
| Student services | 506,404 | 0 | 0 | 506,404 |
| Instructional staff support | 889,424 | 0 | 0 | 889,424 |
| General administration | 757,831 | 192,597 | 8,112 | 958,540 |
| School administration | 23,485 | 0 | 0 | 23,485 |
| Business services | 67,164 | 30 | 0 | 67,194 |
| Plant services | 1,306,317 | 0 | 0 | 1,306,317 |
| Student transportation services | 155,451 | 0 | 0 | 155,451 |
| Food services | 6,220,352 | 0 | 0 | 6,220,352 |
| Community service programs | 41,101 | 0 | 0 | 41,101 |
| Capital outlay | 222,487 | 0 | 2,669,556 | 2,892,043 |
| Debt service | | | | |
| Principal retirement | 0 | 1,979,742 | 0 | 1,979,742 |
| Interest and bank charges | 0 | 1,909,604 | 0 | 1,909,604 |
| Total Expenditures | 19,442,763 | 4,081,973 | 2,677,668 | 26,202,404 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ (1,095,863) | \$ (272,909) | \$ (2,059,654) | \$ (3,428,426) |

(CONTINUED)

VERNON PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2012**

Exhibit 3

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | TOTAL |
|---|----------------------------|-------------------------|-----------------------------|---------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 1,424,926 | \$ 0 | \$ 417,791 | \$ 1,842,717 |
| Transfers out | (39,585) | 0 | (6,926) | (46,511) |
| Issuance of new debt | 0 | 0 | 3,550,737 | 3,550,737 |
| Refunding bonds issued | 0 | 8,860,000 | 0 | 8,860,000 |
| Payments to refunded bond escrow agent | 0 | (8,575,000) | 0 | (8,575,000) |
| Total Other Financing Sources (Uses) | 1,385,341 | 285,000 | 3,961,602 | 5,631,943 |
| Net Change in Fund Balances | 289,478 | 12,091 | 1,901,948 | 2,203,517 |
| FUND BALANCES - BEGINNING | 3,767,815 | 2,351,667 | (494,067) | 5,625,415 |
| FUND BALANCES - ENDING | \$ 4,057,293 | \$ 2,363,758 | \$ 1,407,881 | \$ 7,828,932 |

(CONCLUDED)

Vernon Parish School Board

Nonmajor Special Revenue Funds

MAINTENANCE FUNDS

- Ward 1
- Ward 2 - Orange
- Ward 2 - Hornbeck
- Ward 3
- Ward 4
- Ward 5
- Ward 6
- Ward 7
- Ward 8

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district

OTHER SPECIAL FUNDS This fund represents various small state and federally funded programs for advancement of education in Vernon Parish

8G STATE FUNDS The 8G State Fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program

INDIAN EDUCATION GRANT To address the unique education and culturally related academic needs of Indian students

ADULT EDUCATION To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged

VOCATIONAL EDUCATION To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society

SPECIAL EDUCATION To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities

LA 4 To increase the availability of early childhood development programs

SCHOOL FOOD SERVICE To assist through grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities

(Continued)

Vernon Parish School Board

Nonmajor Special Revenue Funds

FOOD PROCESSING CENTERS The food processing centers receive revenues from sales and services for the purpose of operating the food processing centers

JAG To implement a school-to-career program to assist in keeping young people in school through graduation and provide work-based learning experiences that will lead to career advancement opportunities or to enroll in a postsecondary institution

TITLE I To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies

TITLE II To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects

TITLE III To provide funds to teach English to limited English proficient children and helping them to meet the state standards

SALESTAX Vernon Parish School Board is the centralized sales tax collection agency for all taxing authorities in Vernon Parish. As a result, Vernon Parish School Board receives a fee of 1.5 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department

HEAD START To provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children, including Indian children on federally-recognized reservations, and children of migratory workers and their families, and to involve parents in activities with their children so that the children will attain overall social competence

PRESCHOOL To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years

EDUCATION EXCELLENCE To enhance instructional programs approved by the legislature for students of pre-kindergarten through twelfth grade with proceeds received from tobacco settlement monies

REAP To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in schools

EDUCATION JOBS This fund is to account for a one-time appropriation under the American Recovery and Reinvestment Act of 2009. The U.S. Department of Education gave states this money in exchange for a commitment to advance essential education reforms to benefit students from early learning through post-secondary education

(Concluded)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2012

| | <u>WARD 1</u> | <u>WARD 2 - ORANGE</u> | <u>WARD 2 - HORNBECK</u> | <u>WARD 3</u> |
|--|-------------------|----------------------------|------------------------------|-------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 18,955 | \$ 1,895 | \$ 14,310 | \$ 2,896 |
| Investments | 880,997 | 46,295 | 45,312 | 175,488 |
| Receivables | 0 | 0 | 0 | 0 |
| Interfund receivables | 0 | 0 | 0 | 11,500 |
| Inventory | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | <u>899,952</u> | <u>48,190</u> | <u>59,622</u> | <u>189,884</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts, salaries and other payables | 24,728 | 13,385 | 16,280 | 14,589 |
| Interfund payables | 0 | 0 | 0 | 0 |
| Deferred revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>24,728</u> | <u>13,385</u> | <u>16,280</u> | <u>14,589</u> |
| Fund Balances | | | | |
| Nonspendable | 0 | 0 | 0 | 0 |
| Restricted | 875,224 | 34,805 | 43,342 | 175,295 |
| Committed | 0 | 0 | 0 | 0 |
| Total Fund Balances | <u>875,224</u> | <u>34,805</u> | <u>43,342</u> | <u>175,295</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 899,952</u> | <u>\$ 48,190</u> | <u>\$ 59,622</u> | <u>\$ 189,884</u> |

Exhibit 4

| WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 |
|-------------------|-------------------|------------------|-------------------|------------------|
| \$ 1,152 | \$ 1,369 | \$ 1,636 | \$ 5,224 | \$ 13,661 |
| 144,015 | 833,482 | 20,164 | 270,631 | 207 |
| 0 | 880 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>145,167</u> | <u>835,731</u> | <u>21,800</u> | <u>275,855</u> | <u>13,868</u> |
| 16,284 | 24,096 | 1,514 | 4,956 | 3,723 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>16,284</u> | <u>24,096</u> | <u>1,514</u> | <u>4,956</u> | <u>3,723</u> |
| 0 | 0 | 0 | 0 | 0 |
| 128,883 | 811,635 | 20,286 | 270,899 | 10,145 |
| 0 | 0 | 0 | 0 | 0 |
| <u>128,883</u> | <u>811,635</u> | <u>20,286</u> | <u>270,899</u> | <u>10,145</u> |
| <u>\$ 145,167</u> | <u>\$ 835,731</u> | <u>\$ 21,800</u> | <u>\$ 275,855</u> | <u>\$ 13,868</u> |

(Continued)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2012

| | OTHER SPECIAL FUNDS | 8G STATE FUNDS | INDIAN EDUCATION GRANT | ADULT EDUCATION |
|--|------------------------------------|-------------------------------|---------------------------------------|----------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Investments | 0 | 0 | 0 | 0 |
| Receivables | 178,874 | 34,293 | 3,028 | 53,532 |
| Interfund receivables | 0 | 10,986 | 0 | 0 |
| Inventory | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | 178,874 | 45,279 | 3,028 | 53,532 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts, salaries and other payables | 72,385 | 45,279 | 187 | 20,520 |
| Interfund payables | 106,489 | 0 | 2,841 | 33,012 |
| Deferred revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | 178,874 | 45,279 | 3,028 | 53,532 |
| Fund Balances | | | | |
| Nonspendable | 0 | 0 | 0 | 0 |
| Restricted | 0 | 0 | 0 | 0 |
| Committed | 0 | 0 | 0 | 0 |
| Total Fund Balances | 0 | 0 | 0 | 0 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 178,874 | \$ 45,279 | \$ 3,028 | \$ 53,532 |

Exhibit 4

| VOCATIONAL EDUCATION | SPECIAL EDUCATION | LA 4 | SCHOOL FOOD SERVICE | FOOD PROCESSING CENTERS | JAG |
|-------------------------|----------------------|-------------------|---------------------------|-------------------------------|------------------|
| \$ 0 | \$ 0 | \$ 19,511 | \$ 383,527 | \$ 1,569 | \$ 0 |
| 0 | 0 | 0 | 37,220 | 0 | 0 |
| 41,794 | 611,771 | 688,828 | 55 | 0 | 54,253 |
| 0 | 0 | 282 | 100,000 | 0 | 0 |
| 0 | 0 | 0 | 156,391 | 0 | 0 |
| <u>41,794</u> | <u>611,771</u> | <u>708,621</u> | <u>677,193</u> | <u>1,569</u> | <u>54,253</u> |
| 30,076 | 211,804 | 307,788 | 378,779 | 891 | 34,550 |
| 11,718 | 399,967 | 396,594 | 0 | 0 | 19,703 |
| 0 | 0 | 0 | 54,530 | 0 | 0 |
| <u>41,794</u> | <u>611,771</u> | <u>704,382</u> | <u>433,309</u> | <u>891</u> | <u>54,253</u> |
| 0 | 0 | 0 | 101,861 | 0 | 0 |
| 0 | 0 | 4,239 | 142,023 | 0 | 0 |
| 0 | 0 | 0 | 0 | 678 | 0 |
| <u>0</u> | <u>0</u> | <u>4,239</u> | <u>243,884</u> | <u>678</u> | <u>0</u> |
| <u>\$ 41,794</u> | <u>\$ 611,771</u> | <u>\$ 708,621</u> | <u>\$ 677,193</u> | <u>\$ 1,569</u> | <u>\$ 54,253</u> |

(Continued)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2012

| | <u>TITLE I</u> | <u>TITLE II</u> | <u>TITLE III</u> | <u>SALES TAX</u> |
|--|-------------------|-------------------|------------------|---------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 0 | \$ 0 | \$ 0 | \$ 1,270,207 |
| Investments | 0 | 0 | 0 | 0 |
| Receivables | 725,487 | 153,247 | 6,206 | 19,655 |
| Interfund receivables | 0 | 0 | 0 | 12,768 |
| Inventory | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | <u>725,487</u> | <u>153,247</u> | <u>6,206</u> | <u>1,302,630</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts, salaries and other payables | 338,339 | 55,915 | 3,147 | 2,614 |
| Interfund payables | 387,148 | 97,332 | 3,059 | 0 |
| Deferred revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>725,487</u> | <u>153,247</u> | <u>6,206</u> | <u>2,614</u> |
| Fund Balances | | | | |
| Nonspendable | 0 | 0 | 0 | 0 |
| Restricted | 0 | 0 | 0 | 0 |
| Committed | 0 | 0 | 0 | 1,300,016 |
| Total Fund Balances | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,300,016</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 725,487</u> | <u>\$ 153,247</u> | <u>\$ 6,206</u> | <u>\$ 1,302,630</u> |

Exhibit 4

| HEAD START | PRESCHOOL | EDUCATION EXCELLENCE | REAP | EDUCATION JOBS | TOTAL |
|-------------------|------------------|-------------------------|------------------|-------------------|---------------------|
| \$ 0 | \$ 0 | \$ 191,581 | \$ 0 | \$ 0 | \$ 1,927,493 |
| 0 | 0 | 0 | 0 | 0 | 2,453,811 |
| 529,240 | 29,586 | 0 | 53,211 | 8,367 | 3,192,307 |
| 0 | 0 | 0 | 11,947 | 0 | 147,483 |
| 0 | 0 | 0 | 0 | 0 | 156,391 |
| <u>529,240</u> | <u>29,586</u> | <u>191,581</u> | <u>65,158</u> | <u>8,367</u> | <u>7,877,485</u> |
| 242,926 | 9,498 | 53,619 | 65,158 | 0 | 1,993,030 |
| 286,314 | 20,088 | 0 | 0 | 8,367 | 1,772,632 |
| 0 | 0 | 0 | 0 | 0 | 54,530 |
| <u>529,240</u> | <u>29,586</u> | <u>53,619</u> | <u>65,158</u> | <u>8,367</u> | <u>3,820,192</u> |
| 0 | 0 | 0 | 0 | 0 | 101,861 |
| 0 | 0 | 137,962 | 0 | 0 | 2,654,738 |
| 0 | 0 | 0 | 0 | 0 | 1,300,694 |
| <u>0</u> | <u>0</u> | <u>137,962</u> | <u>0</u> | <u>0</u> | <u>4,057,293</u> |
| <u>\$ 529,240</u> | <u>\$ 29,586</u> | <u>\$ 191,581</u> | <u>\$ 65,158</u> | <u>\$ 8,367</u> | <u>\$ 7,877,485</u> |

(Concluded)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

| | WARD 1 | WARD 2 - ORANGE | WARD 2 - HORNBECK | WARD 3 |
|--|-------------------|--------------------|----------------------|------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 675,627 | \$ 82,518 | \$ 66,989 | \$ 154,649 |
| Sales and use | 0 | 0 | 0 | 0 |
| Interest earnings | 1,286 | 88 | 80 | 223 |
| Food services | 0 | 0 | 0 | 0 |
| Other | 1,800 | 760 | 0 | 0 |
| State sources | | | | |
| Equalization | 0 | 0 | 0 | 0 |
| Other | 46,987 | 18,663 | 16,342 | 11,804 |
| Federal sources | | | | |
| | 0 | 0 | 0 | 0 |
| Total Revenues | 725,700 | 102,029 | 83,411 | 166,676 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 0 | 301 | 0 | 364 |
| Special programs | 0 | 0 | 0 | 0 |
| Other instructional programs | 102,730 | 4,222 | 5,200 | 5,430 |
| Support services | | | | |
| Student services | 0 | 0 | 0 | 0 |
| Instructional staff support | 0 | 0 | 0 | 0 |
| General administration | 22,220 | 32 | 12,378 | 5,141 |
| School administration | 10,022 | 0 | 1,393 | 4,205 |
| Business services | 2,938 | 14,387 | 3,810 | 5,924 |
| Plant services | 369,550 | 94,405 | 50,347 | 77,254 |
| Student transportation services | 13,455 | 4,821 | 4,533 | 8,377 |
| Food services | 114 | 0 | 0 | 0 |
| Community service programs | 0 | 0 | 0 | 0 |
| Capital outlay | 99,937 | 5,821 | 5,821 | 0 |
| Total Expenditures | 620,966 | 123,989 | 83,482 | 106,695 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ 104,734 | \$ (21,960) | \$ (71) | \$ 59,981 |

Exhibit 5

| WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 |
|----------------|----------------|---------------|----------------|---------------|
| \$ 181,566 | \$ 291,861 | \$ 39,732 | \$ 267,893 | \$ 34,680 |
| 0 | 0 | 0 | 0 | 0 |
| 191 | 1,159 | 28 | 430 | 28 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 10,242 | 9,608 | 4,776 | 30,164 | 6,100 |
| 0 | 0 | 0 | 0 | 0 |
| <u>191,999</u> | <u>302,628</u> | <u>44,536</u> | <u>298,487</u> | <u>40,808</u> |
| 3,966 | 0 | 0 | 360 | 0 |
| 0 | 31,816 | 0 | 0 | 0 |
| 3,398 | 8,955 | 2,493 | 20,442 | 2,500 |
| 0 | 70,630 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 5,991 | 9,883 | 1,364 | 9,061 | 9,725 |
| 2,656 | 2,253 | 0 | 0 | 450 |
| 3,826 | 7,738 | 0 | 1,471 | 662 |
| 147,444 | 203,441 | 32,997 | 176,407 | 38,021 |
| 16,583 | 7,006 | 1,232 | 23,123 | 2,434 |
| 0 | 26,746 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>183,864</u> | <u>368,468</u> | <u>38,086</u> | <u>230,864</u> | <u>53,792</u> |
| \$ 8,135 | \$ (65,840) | \$ 6,450 | \$ 67,623 | \$ (12,984) |

(Continued)

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

| | <u>WARD 1</u> | <u>WARD 2 - ORANGE</u> | <u>WARD 2 - HORNBECK</u> | <u>WARD 3</u> |
|---|-------------------|----------------------------|------------------------------|-------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 0 | \$ 6,926 |
| Transfers out | 0 | (1,107) | 0 | (38,478) |
| Total Other Financing Sources (Uses) | <u>0</u> | <u>(1,107)</u> | <u>0</u> | <u>(31,552)</u> |
| Net Change in Fund Balance | 104,734 | (23,067) | (71) | 28,429 |
| FUND BALANCES - BEGINNING | <u>770,490</u> | <u>57,872</u> | <u>43,413</u> | <u>146,866</u> |
| FUND BALANCES - ENDING | <u>\$ 875,224</u> | <u>\$ 34,805</u> | <u>\$ 43,342</u> | <u>\$ 175,295</u> |

Exhibit 5

| WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 |
|-------------------|-------------------|------------------|-------------------|------------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 8,135 | (65,840) | 6,450 | 67,623 | (12,984) |
| 120,748 | 877,475 | 13,836 | 203,276 | 23,129 |
| <u>\$ 128,883</u> | <u>\$ 811,635</u> | <u>\$ 20,286</u> | <u>\$ 270,899</u> | <u>\$ 10,145</u> |

(Continued)

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

| | OTHER SPECIAL FUNDS | 8G STATE FUNDS | INDIAN EDUCATION GRANT | ADULT EDUCATION |
|--|------------------------------------|-------------------------------|---------------------------------------|----------------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Sales and use | 0 | 0 | 0 | 0 |
| Interest earnings | 0 | 0 | 0 | 0 |
| Food services | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| State sources | | | | |
| Equalization | 0 | 0 | 0 | 0 |
| Other | 46,884 | 155,852 | 0 | 0 |
| Federal sources | 710,261 | 0 | 28,637 | 79,265 |
| Total Revenues | 757,145 | 155,852 | 28,637 | 79,265 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 651,555 | 129,813 | 23,772 | 0 |
| Special programs | 9,227 | 11,504 | 3,097 | 0 |
| Other instructional programs | 43,639 | 0 | 0 | 79,265 |
| Support services | | | | |
| Student services | 1,251 | 12,085 | 0 | 0 |
| Instructional staff support | 47,362 | 2,200 | 0 | 0 |
| General administration | 132 | 0 | 1,768 | 0 |
| School administration | 2,501 | 0 | 0 | 0 |
| Business services | 1,178 | 0 | 0 | 0 |
| Plant services | 300 | 250 | 0 | 0 |
| Student transportation services | 0 | 0 | 0 | 0 |
| Food services | 0 | 0 | 0 | 0 |
| Community service programs | 0 | 0 | 0 | 0 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total Expenditures | 757,145 | 155,852 | 28,637 | 79,265 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

Exhibit 5

| VOCATIONAL EDUCATION | SPECIAL EDUCATION | LA 4 | SCHOOL FOOD SERVICE | FOOD PROCESSING CENTERS | JAG |
|-------------------------|----------------------|-------------|---------------------------|-------------------------------|---------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 0 | 300 | 0 | 0 | 0 |
| 0 | 0 | 0 | 1,650 | 0 | 0 |
| 0 | 0 | 0 | 1,004,166 | 0 | 0 |
| 0 | 0 | 61,320 | 0 | 24,068 | 0 |
| 0 | 0 | 0 | 459,101 | 0 | 0 |
| 0 | 0 | 101,550 | 0 | 0 | 0 |
| 127,096 | 2,554,895 | 1,579,586 | 3,467,667 | 0 | 215,568 |
| 127,096 | 2,554,895 | 1,742,756 | 4,932,584 | 24,068 | 215,568 |
| 0 | 311,313 | 1,653,542 | 0 | 0 | 193,015 |
| 0 | 1,301,550 | 0 | 0 | 0 | 0 |
| 120,733 | 0 | 30,808 | 0 | 0 | 20,184 |
| 0 | 418,283 | 0 | 0 | 0 | 0 |
| 6,358 | 345,548 | 492 | 51 | 0 | 2,258 |
| 0 | 166,871 | 97,403 | 0 | 0 | 0 |
| 5 | 0 | 0 | 0 | 0 | 0 |
| 0 | 11,330 | 0 | 0 | 0 | 0 |
| 0 | 0 | 3,763 | 41,433 | 2,321 | 0 |
| 0 | 0 | 0 | 38,244 | 0 | 111 |
| 0 | 0 | 0 | 6,193,492 | 0 | 0 |
| 0 | 0 | 0 | 0 | 41,101 | 0 |
| 0 | 0 | 0 | 110,908 | 0 | 0 |
| 127,096 | 2,554,895 | 1,786,008 | 6,384,128 | 43,422 | 215,568 |
| \$ 0 | \$ 0 | \$ (43,252) | \$ (1,451,544) | \$ (19,354) | \$ 0 |

(Continued)

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

| | OTHER SPECIAL FUNDS | 86 STATE FUNDS | INDIAN EDUCATION GRANT | ADULT EDUCATION |
|---|------------------------------------|-------------------------------|---------------------------------------|----------------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Transfers out | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> |

Exhibit 5

| VOCATIONAL EDUCATION | SPECIAL EDUCATION | LA 4 | SCHOOL FOOD SERVICE | FOOD PROCESSING CENTERS | JAG |
|-------------------------|----------------------|-----------------|---------------------------|-------------------------------|-------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 1,400,000 | \$ 18,000 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 1,400,000 | 18,000 | 0 |
| 0 | 0 | (43,252) | (51,544) | (1,354) | 0 |
| 0 | 0 | 47,491 | 295,428 | 2,032 | 0 |
| <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 4,239</u> | <u>\$ 243,884</u> | <u>\$ 678</u> | <u>\$ 0</u> |

(Continued)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

| | TITLE I | TITLE II | TITLE III | SALES TAX |
|--|------------------|----------------|---------------|-------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Sales and use | 0 | 0 | 0 | 199 |
| Interest earnings | 0 | 0 | 0 | 3,372 |
| Food services | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 445,181 |
| State sources | | | | |
| Equalization | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Federal sources | 2,550,952 | 382,955 | 11,349 | 0 |
| Total Revenues | 2,550,952 | 382,955 | 11,349 | 448,752 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | | | | |
| Regular programs | 41,985 | 356,213 | 2,556 | 0 |
| Special programs | 2,036,619 | 0 | 0 | 0 |
| Other instructional programs | 73,590 | 0 | 8,575 | 0 |
| Support services | | | | |
| Student services | 0 | 0 | 0 | 0 |
| Instructional staff support | 187,236 | 0 | 0 | 0 |
| General administration | 164,612 | 26,742 | 218 | 92,354 |
| School administration | 0 | 0 | 0 | 0 |
| Business services | 0 | 0 | 0 | 13,900 |
| Plant services | 46,910 | 0 | 0 | 2,857 |
| Student transportation services | 0 | 0 | 0 | 0 |
| Food services | 0 | 0 | 0 | 0 |
| Community service programs | 0 | 0 | 0 | 0 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total Expenditures | 2,550,952 | 382,955 | 11,349 | 109,111 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ 0 | \$ 0 | \$ 0 | \$ 339,641 |

Exhibit 5

| HEAD START | PRESCHOOL | EDUCATION EXCELLENCE | REAP | EDUCATION JOBS | TOTAL |
|------------|-----------|-------------------------|---------|-------------------|----------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,795,515 |
| 0 | 0 | 0 | 0 | 0 | 499 |
| 0 | 0 | 0 | 0 | 0 | 8,535 |
| 0 | 0 | 0 | 0 | 0 | 1,004,166 |
| 0 | 0 | 0 | 0 | 0 | 533,129 |
| 0 | 0 | 0 | 0 | 0 | 459,101 |
| 0 | 0 | 178,719 | 0 | 0 | 637,691 |
| 1,788,282 | 169,269 | 0 | 197,774 | 44,708 | 13,908,264 |
| 1,788,282 | 169,269 | 178,719 | 197,774 | 44,708 | 18,346,900 |
| 0 | 0 | 180,240 | 185,513 | 44,708 | 3,779,216 |
| 1,382,578 | 127,415 | 8,312 | 0 | 0 | 4,912,118 |
| 0 | 0 | 29,249 | 0 | 0 | 561,413 |
| 0 | 0 | 4,155 | 0 | 0 | 506,404 |
| 251,882 | 31,740 | 14,297 | 0 | 0 | 889,424 |
| 109,561 | 10,114 | 0 | 12,261 | 0 | 757,831 |
| 0 | 0 | 0 | 0 | 0 | 23,485 |
| 0 | 0 | 0 | 0 | 0 | 67,164 |
| 17,129 | 0 | 1,488 | 0 | 0 | 1,306,317 |
| 27,132 | 0 | 8,400 | 0 | 0 | 155,451 |
| 0 | 0 | 0 | 0 | 0 | 6,220,352 |
| 0 | 0 | 0 | 0 | 0 | 41,101 |
| 0 | 0 | 0 | 0 | 0 | 222,487 |
| 1,788,282 | 169,269 | 246,141 | 197,774 | 44,708 | 19,442,763 |
| \$ 0 | \$ 0 | \$ (67,422) | \$ 0 | \$ 0 | \$ (1,095,863) |

(Continued)

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

| | <u>TITLE I</u> | <u>TITLE II</u> | <u>TITLE III</u> | <u>SALES TAX</u> |
|---|----------------|-----------------|------------------|---------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Transfers out | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | 0 | 0 | 0 | 339,641 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> | <u>960,375</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 1,300,016</u> |

Exhibit 5

| HEAD START | PRESCHOOL | EDUCATION EXCELLENCE | REAP | EDUCATION JOBS | TOTAL |
|-------------|-------------|-------------------------|-------------|-------------------|---------------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,424,926 |
| 0 | 0 | 0 | 0 | 0 | (39,585) |
| 0 | 0 | 0 | 0 | 0 | 1,385,341 |
| 0 | 0 | (67,422) | 0 | 0 | 289,478 |
| 0 | 0 | 205,384 | 0 | 0 | 3,767,815 |
| <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 137,962</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 4,057,293</u> |

(Concluded)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-1

*****WARD 1 MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 676,000 | \$ 675,627 | \$ (373) |
| Interest earnings | 1,335 | 1,286 | (49) |
| Other | 1,800 | 1,800 | 0 |
| State sources Other | 47,000 | 46,987 | (13) |
| Total Revenues | 726,135 | 725,700 | (435) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 94,967 | 102,730 | (7,763) |
| Support services | | | |
| General administration | 22,463 | 22,220 | 243 |
| School administration | 17,002 | 10,022 | 6,980 |
| Business services | 2,788 | 2,938 | (150) |
| Plant services | 387,276 | 369,550 | 17,726 |
| Student transportation services | 97,169 | 13,455 | 83,714 |
| Food services | 0 | 114 | (114) |
| Capital outlay | 0 | 99,937 | (99,937) |
| Total Expenditures | 621,665 | 620,966 | 699 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 104,470 | 104,734 | 264 |
| FUND BALANCES - BEGINNING | 770,490 | 770,490 | 0 |
| FUND BALANCES - ENDING | \$ 874,960 | \$ 875,224 | \$ 264 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-2

*****WARD 2- ORANGE MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 83,000 | \$ 82,518 | \$ (482) |
| Interest earnings | 83 | 88 | 5 |
| Other | 760 | 760 | 0 |
| State sources Other | 18,700 | 18,663 | (37) |
| Total Revenues | 102,543 | 102,029 | (514) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 0 | 301 | (301) |
| Other instructional programs | 4,883 | 4,222 | 661 |
| Support services | | | |
| General administration | 2,950 | 32 | 2,918 |
| School administration | 3,000 | 0 | 3,000 |
| Business services | 19,289 | 14,387 | 4,902 |
| Plant services | 91,644 | 94,405 | (2,761) |
| Student transportation services | 3,400 | 4,821 | (1,421) |
| Capital Outlay | 0 | 5,821 | (5,821) |
| Total Expenditures | 125,166 | 123,989 | 1,177 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (22,623) | (21,960) | 663 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 10,000 | 0 | (10,000) |
| Transfers out | (10,000) | (1,107) | 8,893 |
| Total Other Financing Sources (Uses) | 0 | (1,107) | (1,107) |
| Net Changes in Fund Balances | (22,623) | (23,067) | 444 |
| FUND BALANCES - BEGINNING | 57,872 | 57,872 | 0 |
| FUND BALANCES - ENDING | \$ 35,249 | \$ 34,805 | \$ 444 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-3

*****WARD 2- HORNBECK*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 83,000 | \$ 66,989 | \$ (16,011) |
| Interest earnings | 83 | 80 | (3) |
| State sources Other | 18,700 | 16,342 | (2,358) |
| Total Revenues | 101,783 | 83,411 | (18,372) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 4,883 | 5,200 | (317) |
| Support services | | | |
| General administration | 2,950 | 12,378 | (9,428) |
| School administration | 3,000 | 1,393 | 1,607 |
| Business services | 19,289 | 3,810 | 15,479 |
| Plant services | 91,644 | 50,347 | 41,297 |
| Student transportation services | 3,400 | 4,533 | (1,133) |
| Capital Outlay | 0 | 5,821 | (5,821) |
| Total Expenditures | 125,166 | 83,482 | 41,684 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (23,383) | (71) | 23,312 |
| FUND BALANCES - BEGINNING | 43,413 | 43,413 | 0 |
| FUND BALANCES - ENDING | \$ 20,030 | \$ 43,342 | \$ 23,312 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-4

*****WARD 3 - MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 155,000 | \$ 154,649 | \$ (351) |
| Interest earnings | 427 | 223 | (204) |
| State sources Other | 11,800 | 11,804 | 4 |
| Total Revenues | 167,227 | 166,676 | (551) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 0 | 364 | (364) |
| Other instructional programs | 4,600 | 5,430 | (830) |
| Support services | | | |
| General administration | 5,142 | 5,141 | 1 |
| School administration | 3,011 | 4,205 | (1,194) |
| Business services | 4,230 | 5,924 | (1,694) |
| Plant services | 89,300 | 77,254 | 12,046 |
| Student transportation services | 6,059 | 8,377 | (2,318) |
| Capital outlay | 26,010 | 0 | 26,010 |
| Total Expenditures | 138,352 | 106,695 | 31,657 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 28,875 | 59,981 | 31,106 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 22 | 6,926 | 6,904 |
| Transfers out | (13,600) | (38,478) | (24,878) |
| Total Other Financing Sources (Uses) | (13,578) | (31,552) | (17,974) |
| Net Changes in Fund Balances | 15,297 | 28,429 | 13,132 |
| FUND BALANCES - BEGINNING | 146,866 | 146,866 | 0 |
| FUND BALANCES - ENDING | \$ 162,163 | \$ 175,295 | \$ 13,132 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-5

*****WARD 4 MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 181,600 | \$ 181,566 | \$ (34) |
| Interest earnings | 260 | 191 | (69) |
| State sources Other | 10,250 | 10,242 | (8) |
| Total Revenues | 192,110 | 191,999 | (111) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 2,745 | 3,966 | (1,221) |
| Other instructional programs | 4,195 | 3,398 | 797 |
| Support services | | | |
| General administration | 6,000 | 5,991 | 9 |
| School administration | 157 | 2,656 | (2,499) |
| Business services | 5,208 | 3,826 | 1,382 |
| Plant services | 151,604 | 147,444 | 4,160 |
| Student transportation services | 13,897 | 16,583 | (2,686) |
| Total Expenditures | 183,806 | 183,864 | (58) |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 8,304 | 8,135 | (169) |
| FUND BALANCES - BEGINNING | 120,748 | 120,748 | 0 |
| FUND BALANCES - ENDING | \$ 129,052 | \$ 128,883 | \$ (169) |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-6

*****WARD 5 MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|--|-------------------|-------------------|---|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 291,900 | \$ 291,861 | \$ (39) |
| Interest earnings | 1,200 | 1,159 | (41) |
| State sources Other | 9,600 | 9,608 | 8 |
| | <u>302,700</u> | <u>302,628</u> | <u>(72)</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Special programs | 41,830 | 31,816 | 10,014 |
| Other instructional programs | 10,000 | 8,955 | 1,045 |
| Support services | | | |
| Student services | 69,884 | 70,630 | (746) |
| General administration | 9,883 | 9,883 | 0 |
| School administration | 2,985 | 2,253 | 732 |
| Business services | 10,541 | 7,738 | 2,803 |
| Plant services | 209,841 | 203,441 | 6,400 |
| Student transportation services | 6,966 | 7,006 | (40) |
| Food services | 27,600 | 26,746 | 854 |
| | <u>389,530</u> | <u>368,468</u> | <u>21,062</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (86,830) | (65,840) | 20,990 |
| FUND BALANCES - BEGINNING | <u>877,475</u> | <u>877,475</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 790,645</u> | <u>\$ 811,635</u> | <u>\$ 20,990</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-7

*****WARD 6 MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 40,000 | \$ 39,732 | \$ (268) |
| Interest earnings | 32 | 28 | (4) |
| State sources Other | 4,800 | 4,776 | (24) |
| Total Revenues | 44,832 | 44,536 | (296) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 2,492 | 2,493 | (1) |
| Support services | | | |
| General administration | 1,364 | 1,364 | 0 |
| Plant services | 31,620 | 32,997 | (1,377) |
| Student transportation services | 2,538 | 1,232 | 1,306 |
| Total Expenditures | 38,014 | 38,086 | (72) |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 6,818 | 6,450 | (368) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 10,000 | 0 | (10,000) |
| Transfers out | (10,000) | 0 | 10,000 |
| Total Other Financing Sources (Uses) | 0 | 0 | 0 |
| Net Changes in Fund Balances | 6,818 | 6,450 | (368) |
| FUND BALANCES - BEGINNING | 13,836 | 13,836 | 0 |
| FUND BALANCES - ENDING | \$ 20,654 | \$ 20,286 | \$ (368) |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-8

*****WARD 7 MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 268,000 | \$ 267,893 | \$ (107) |
| Interest earnings | 338 | 430 | 92 |
| State sources Other | 30,165 | 30,164 | (1) |
| Total Revenues | 298,503 | 298,487 | (16) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 360 | 360 | 0 |
| Other instructional programs | 28,110 | 20,442 | 7,668 |
| Support services | | | |
| General administration | 9,061 | 9,061 | 0 |
| Business services | 3,847 | 1,471 | 2,376 |
| Plant services | 169,868 | 176,407 | (6,539) |
| Student transportation services | 22,411 | 23,123 | (712) |
| Total Expenditures | 233,657 | 230,864 | 2,793 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 64,846 | 67,623 | 2,777 |
| FUND BALANCES - BEGINNING | 203,276 | 203,276 | 0 |
| FUND BALANCES - ENDING | \$ 268,122 | \$ 270,899 | \$ 2,777 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-9

*****WARD 8 MAINTENANCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-----------------|------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Ad valorem | \$ 35,000 | \$ 34,680 | \$ (320) |
| Interest earnings | 43 | 28 | (15) |
| State sources Other | 6,100 | 6,100 | 0 |
| Total Revenues | 41,143 | 40,808 | (335) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 2,500 | 2,500 | 0 |
| Support services | | | |
| General administration | 9,725 | 9,725 | 0 |
| School administration | 450 | 450 | 0 |
| Business services | 0 | 662 | (662) |
| Plant services | 38,884 | 38,021 | 863 |
| Student transportation services | 2,751 | 2,434 | 317 |
| Total Expenditures | 54,310 | 53,792 | 518 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (13,167) | (12,984) | 183 |
| FUND BALANCES - BEGINNING | 23,129 | 23,129 | 0 |
| FUND BALANCES - ENDING | \$ 9,962 | \$ 10,145 | \$ 183 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-10

*****OTHER SPECIAL FUNDS*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|--|----------------|----------------|---|
| REVENUES | | | |
| State sources | | | |
| Other | \$ 46,884 | \$ 46,884 | \$ 0 |
| Federal sources | <u>709,161</u> | <u>710,261</u> | <u>1,100</u> |
| Total Revenues | <u>756,045</u> | <u>757,145</u> | <u>1,100</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 651,555 | 651,555 | 0 |
| Special programs | 9,227 | 9,227 | 0 |
| Other instructional programs | 42,539 | 43,639 | (1,100) |
| Support services | | | |
| Student services | 1,251 | 1,251 | 0 |
| Instructional staff support | 47,362 | 47,362 | 0 |
| General administration | 132 | 132 | 0 |
| School administration | 2,501 | 2,501 | 0 |
| Business services | 1,178 | 1,178 | 0 |
| Plant services | 300 | 300 | 0 |
| Total Expenditures | <u>756,045</u> | <u>757,145</u> | <u>(1,100)</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-11

*****8G STATE FUNDS*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------|------------|--|
| REVENUES | | | |
| State sources | | | |
| Other | \$ 155,853 | \$ 155,852 | \$ (1) |
| Total Revenues | 155,853 | 155,852 | (1) |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 109,726 | 129,813 | (20,087) |
| Special programs | 31,842 | 11,504 | 20,338 |
| Support services | | | |
| Student services | 12,085 | 12,085 | 0 |
| Instructional staff support | 2,200 | 2,200 | 0 |
| Plant services | 0 | 250 | (250) |
| Total Expenditures | 155,853 | 155,852 | 1 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-12

*****INDIAN EDUCATION GRANT*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Federal sources | \$ 28,637 | \$ 28,637 | \$ 0 |
| Total Revenues | <u>28,637</u> | <u>28,637</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 23,772 | 23,772 | 0 |
| Special programs | 3,097 | 3,097 | 0 |
| Support services | | | |
| General administration | <u>1,768</u> | <u>1,768</u> | <u>0</u> |
| Total Expenditures | <u>28,637</u> | <u>28,637</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-13

*****ADULT EDUCATION*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-----------|-----------|--|
| REVENUES | | | |
| Federal sources | \$ 79,265 | \$ 79,265 | \$ 0 |
| Total Revenues | 79,265 | 79,265 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 79,265 | 79,265 | 0 |
| Total Expenditures | 79,265 | 79,265 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-14

*****VOCATIONAL EDUCATION*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|----------------|----------------|--|
| REVENUES | | | |
| Federal sources | \$ 127,096 | \$ 127,096 | \$ 0 |
| Total Revenues | <u>127,096</u> | <u>127,096</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Other instructional programs | 120,733 | 120,733 | 0 |
| Support services | | | |
| Instructional staff support | 6,358 | 6,358 | 0 |
| School administration | 5 | 5 | 0 |
| Total Expenditures | <u>127,096</u> | <u>127,096</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-15

*****SPECIAL EDUCATION*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Federal sources | \$ 2,554,895 | \$ 2,554,895 | \$ 0 |
| Total Revenues | <u>2,554,895</u> | <u>2,554,895</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 314,804 | 311,313 | 3,491 |
| Special programs | 1,276,121 | 1,301,550 | (25,429) |
| Other instructional programs | 309 | 0 | 309 |
| Support services | | | |
| Student services | 421,240 | 418,283 | 2,957 |
| Instructional staff support | 356,160 | 345,548 | 10,612 |
| General administration | 174,931 | 166,871 | 8,060 |
| Business services | 11,330 | 11,330 | 0 |
| Total Expenditures | <u>2,554,895</u> | <u>2,554,895</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-16

*****LA 4*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Sales and use | \$ 300 | \$ 300 | \$ 0 |
| Other | 61,320 | 61,320 | 0 |
| State sources other | 101,550 | 101,550 | 0 |
| Federal sources | 1,579,586 | 1,579,586 | 0 |
| Total Revenues | 1,742,756 | 1,742,756 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 1,642,274 | 1,653,542 | (11,268) |
| Other instructional programs | 42,142 | 30,808 | 11,334 |
| Support services | | | |
| Instructional staff support | 426 | 492 | (66) |
| General administration | 97,403 | 97,403 | 0 |
| Plant services | 3,763 | 3,763 | 0 |
| Total Expenditures | 1,786,008 | 1,786,008 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (43,252) | (43,252) | 0 |
| FUND BALANCES - BEGINNING | 47,491 | 47,491 | 0 |
| FUND BALANCES - ENDING | \$ 4,239 | \$ 4,239 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-17

*****SCHOOL FOOD SERVICE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|--------------------|--------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Interest earnings | \$ 1,650 | \$ 1,650 | \$ 0 |
| Food services | 1,003,704 | 1,004,166 | 462 |
| State sources | | | |
| Equalization | 459,101 | 459,101 | 0 |
| Federal sources | 3,478,302 | 3,467,667 | (10,635) |
| Total Revenues | 4,942,757 | 4,932,584 | (10,173) |
| EXPENDITURES | | | |
| Current | | | |
| Support services | | | |
| Instructional staff support | 52 | 51 | 1 |
| Business services | 1,263 | 0 | 1,263 |
| Plant services | 41,042 | 41,433 | (391) |
| Student transportation services | 38,395 | 38,244 | 151 |
| Food services | 6,346,617 | 6,193,492 | 153,125 |
| Capital outlay | 0 | 110,908 | (110,908) |
| Total Expenditures | 6,427,369 | 6,384,128 | 43,241 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (1,484,612) | (1,451,544) | 33,068 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | | | |
| | 1,400,000 | 1,400,000 | 0 |
| Total Other Financing Sources (Uses) | 1,400,000 | 1,400,000 | 0 |
| Net Changes in Fund Balances | (84,612) | (51,544) | 33,068 |
| FUND BALANCES - BEGINNING | 295,428 | 295,428 | 0 |
| FUND BALANCES - ENDING | \$ 210,816 | \$ 243,884 | \$ 33,068 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-18

*****FOOD PROCESSING CENTERS*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-----------|-----------|--|
| REVENUES | | | |
| Local sources | | | |
| Other | \$ 24,100 | \$ 24,068 | \$ (32) |
| Total Revenues | 24,100 | 24,068 | (32) |
| EXPENDITURES | | | |
| Current | | | |
| Support services | | | |
| Plant services | 4,510 | 2,321 | 2,189 |
| Community service programs | 38,965 | 41,101 | (2,136) |
| Total Expenditures | 43,475 | 43,422 | 53 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (19,375) | (19,354) | 21 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 18,000 | 18,000 | 0 |
| Total Other Financing Sources (Uses) | 18,000 | 18,000 | 0 |
| Net Changes in Fund Balances | (1,375) | (1,354) | 21 |
| FUND BALANCES - BEGINNING | 2,032 | 2,032 | 0 |
| FUND BALANCES - ENDING | \$ 657 | \$ 678 | \$ 21 |

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2012

Exhibit 6-19

*****JAG*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE FAVORABLE (UNFAVORABLE)</u> |
|--|----------------|----------------|---|
| REVENUES | | | |
| Federal sources | \$ 215,568 | \$ 215,568 | \$ 0 |
| Total Revenues | <u>215,568</u> | <u>215,568</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 193,015 | 193,015 | 0 |
| Other instructional programs | 20,184 | 20,184 | 0 |
| Support services | | | |
| Instructional staff support | 2,258 | 2,258 | 0 |
| Student transportation services | 111 | 111 | 0 |
| Total Expenditures | <u>215,568</u> | <u>215,568</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-20

| | *****TITLE***** | | |
|--|------------------|------------------|--|
| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
| REVENUES | | | |
| Federal sources | \$ 2,550,952 | \$ 2,550,952 | \$ 0 |
| Total Revenues | <u>2,550,952</u> | <u>2,550,952</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 42,460 | 41,985 | 475 |
| Special programs | 2,036,619 | 2,036,619 | 0 |
| Other instructional programs | 22,710 | 73,590 | (50,880) |
| Support services | | | |
| Instructional staff support | 226,322 | 187,236 | 39,086 |
| General administration | 175,931 | 164,612 | 11,319 |
| Plant services | 46,910 | 46,910 | 0 |
| Total Expenditures | <u>2,550,952</u> | <u>2,550,952</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-21

| *****TITLE II***** | | | |
|--|------------|------------|--|
| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
| REVENUES | | | |
| Federal sources | \$ 382,955 | \$ 382,955 | \$ 0 |
| Total Revenues | 382,955 | 382,955 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 356,213 | 356,213 | 0 |
| Support services | | | |
| General administration | 26,742 | 26,742 | 0 |
| Total Expenditures | 382,955 | 382,955 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-22

| *****TITLE III***** | | | |
|--|-----------|-----------|--|
| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
| REVENUES | | | |
| Federal sources | \$ 11,343 | \$ 11,349 | \$ 6 |
| Total Revenues | 11,343 | 11,349 | 6 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 2,550 | 2,556 | (6) |
| Other instructional programs | 8,575 | 8,575 | 0 |
| Support services | | | |
| General administration | 218 | 218 | 0 |
| Total Expenditures | 11,343 | 11,349 | (6) |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-23

*****SALES TAX*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|---------------------|---------------------|--|
| REVENUES | | | |
| Local sources | | | |
| Taxes | | | |
| Sales and use | \$ 200 | \$ 199 | \$ (1) |
| Interest earnings | 3,372 | 3,372 | 0 |
| Other | 442,000 | 445,181 | 3,181 |
| Total Revenues | <u>445,572</u> | <u>448,752</u> | <u>3,180</u> |
| EXPENDITURES | | | |
| Current | | | |
| Support services | | | |
| General administration | 96,615 | 92,354 | 4,261 |
| Business services | 12,589 | 13,900 | (1,311) |
| Plant services | 3,340 | 2,857 | 483 |
| Total Expenditures | <u>112,544</u> | <u>109,111</u> | <u>3,433</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 333,028 | 339,641 | 6,613 |
| FUND BALANCES - BEGINNING | <u>960,375</u> | <u>960,375</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 1,293,403</u> | <u>\$ 1,300,016</u> | <u>\$ 6,613</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-24

*****HEAD START*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Federal sources | \$ 1,788,282 | \$ 1,788,282 | \$ 0 |
| Total Revenues | 1,788,282 | 1,788,282 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 4,677 | 0 | 4,677 |
| Special programs | 1,394,218 | 1,382,578 | 11,640 |
| Support services | | | |
| Instructional staff support | 252,395 | 251,882 | 513 |
| General administration | 90,579 | 109,561 | (18,982) |
| School administration | 3,678 | 0 | 3,678 |
| Plant services | 28,861 | 17,129 | 11,732 |
| Student transportation services | 13,874 | 27,132 | (13,258) |
| Total Expenditures | 1,788,282 | 1,788,282 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-25

*****PRESCHOOL*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|----------------|----------------|--|
| REVENUES | | | |
| Federal sources | \$ 169,270 | \$ 169,269 | \$ (1) |
| Total Revenues | <u>169,270</u> | <u>169,269</u> | <u>(1)</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Special programs | 159,147 | 127,415 | 31,732 |
| Support services | | | |
| Instructional staff support | 0 | 31,740 | (31,740) |
| General administration | 10,123 | 10,114 | 9 |
| Total Expenditures | <u>169,270</u> | <u>169,269</u> | <u>1</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | <u>0</u> | <u>0</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-26

*****EDUCATION EXCELLENCE*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| REVENUES | | | |
| State sources | | | |
| Other | \$ 178,719 | \$ 178,719 | \$ 0 |
| Total Revenues | <u>178,719</u> | <u>178,719</u> | <u>0</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 180,240 | 180,240 | 0 |
| Special programs | 8,312 | 8,312 | 0 |
| Other instructional programs | 29,249 | 29,249 | 0 |
| Support services | | | |
| Student services | 4,155 | 4,155 | 0 |
| Instructional staff support | 14,297 | 14,297 | 0 |
| Plant services | 1,488 | 1,488 | 0 |
| Student transportation services | 8,400 | 8,400 | 0 |
| Total Expenditures | <u>246,141</u> | <u>246,141</u> | <u>0</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (67,422) | (67,422) | 0 |
| FUND BALANCES - BEGINNING | <u>205,384</u> | <u>205,384</u> | <u>0</u> |
| FUND BALANCES - ENDING | <u>\$ 137,962</u> | <u>\$ 137,962</u> | <u>\$ 0</u> |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-27

*****REAP*****

| | ACTUAL | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|------------|------------|--|
| REVENUES | | | |
| Federal sources | \$ 197,774 | \$ 197,774 | \$ 0 |
| Total Revenues | 197,774 | 197,774 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 192,811 | 185,513 | 7,298 |
| Support services | | | |
| General administration | 4,963 | 12,261 | (7,298) |
| Total Expenditures | 197,774 | 197,774 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2012

Exhibit 6-28

*****EDUCATION JOBS*****

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|---------------|---------------|--|
| REVENUES | | | |
| Federal sources | \$ 44,708 | \$ 44,708 | \$ 0 |
| Total Revenues | 44,708 | 44,708 | 0 |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | | | |
| Regular programs | 44,708 | 44,708 | 0 |
| Total Expenditures | 44,708 | 44,708 | 0 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 0 | 0 | 0 |
| FUND BALANCES - BEGINNING | 0 | 0 | 0 |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ 0 |

Vernon Parish School Board

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Vernon Parish School Board

Nonmajor Debt Service Funds

- Ward No 1
- Ward No 2 - Orange
- Ward No 2 - Hornbeck
- Ward No 3
- Ward No 4
- Ward No 5
- Ward No 6
- Ward No 7
- Ward No 8

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2012

| | <u>WARD 1</u> | <u>WARD 2 - ORANGE</u> | <u>WARD 2 - HORNBECK</u> | <u>WARD 3</u> |
|--|--------------------------|----------------------------|------------------------------|--------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 116,506 | \$ 15,589 | \$ 4,404 | \$ 18,053 |
| Investments | <u>874,939</u> | <u>336,626</u> | <u>38,285</u> | <u>209,430</u> |
| TOTAL ASSETS | <u><u>991,445</u></u> | <u><u>352,215</u></u> | <u><u>42,689</u></u> | <u><u>227,483</u></u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payables | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Liabilities | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balances | | | | |
| Restricted | <u>991,445</u> | <u>352,215</u> | <u>42,689</u> | <u>227,483</u> |
| Total Fund Balances | <u>991,445</u> | <u>352,215</u> | <u>42,689</u> | <u>227,483</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u><u>\$ 991,445</u></u> | <u><u>\$ 352,215</u></u> | <u><u>\$ 42,689</u></u> | <u><u>\$ 227,483</u></u> |

Exhibit 7

| <u>WARD 4</u> | <u>WARD 5</u> | <u>WARD 6</u> | <u>WARD 7</u> | <u>WARD 8</u> | <u>TOTAL</u> |
|-------------------|-------------------|------------------|-------------------|-------------------|---------------------|
| \$ 18,824 | \$ 6,834 | \$ 5,930 | \$ 4,489 | \$ 10,040 | \$ 200,669 |
| <u>124,703</u> | <u>134,791</u> | <u>67,262</u> | <u>235,309</u> | <u>144,774</u> | <u>2,166,119</u> |
| <u>143,527</u> | <u>141,625</u> | <u>73,192</u> | <u>239,798</u> | <u>154,814</u> | <u>2,366,788</u> |
| 0 | 1,404 | 0 | 1,626 | 0 | 3,030 |
| 0 | 1,404 | 0 | 1,626 | 0 | 3,030 |
| <u>143,527</u> | <u>140,221</u> | <u>73,192</u> | <u>238,172</u> | <u>154,814</u> | <u>2,363,758</u> |
| <u>143,527</u> | <u>140,221</u> | <u>73,192</u> | <u>238,172</u> | <u>154,814</u> | <u>2,363,758</u> |
| <u>\$ 143,527</u> | <u>\$ 141,625</u> | <u>\$ 73,192</u> | <u>\$ 239,798</u> | <u>\$ 154,814</u> | <u>\$ 2,366,788</u> |

VERNON PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2012**

| | <u>WARD 1</u> | <u>WARD 2 - ORANGE</u> | <u>WARD 2 - HORNBECK</u> | <u>WARD 3</u> |
|--|-------------------|----------------------------|------------------------------|-------------------|
| REVENUES | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Ad valorem | \$ 2,110,234 | \$ 184,315 | \$ 28,583 | \$ 328,090 |
| Interest earnings | 1,350 | 609 | 65 | 247 |
| Total Revenues | <u>2,111,584</u> | <u>184,924</u> | <u>28,648</u> | <u>328,337</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| Support services | | | | |
| General administration | 93,929 | 6,561 | 1,014 | 11,313 |
| Business services | 0 | 0 | 0 | 0 |
| Debt Service | | | | |
| Principal retirement | 1,059,000 | 111,472 | 30,000 | 101,000 |
| Interest and bank charges | 890,958 | 161,014 | 10,754 | 118,489 |
| Total Expenditures | <u>2,043,887</u> | <u>279,047</u> | <u>41,768</u> | <u>230,802</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>67,697</u> | <u>(94,123)</u> | <u>(13,120)</u> | <u>97,535</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Refunding bonds issued | 3,560,000 | 0 | 0 | 0 |
| Payments to refunded bond escrow agent | (3,460,000) | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | <u>100,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balances | 167,697 | (94,123) | (13,120) | 97,535 |
| FUND BALANCES - BEGINNING | <u>823,748</u> | <u>446,338</u> | <u>55,809</u> | <u>129,948</u> |
| FUND BALANCES - ENDING | <u>\$ 991,445</u> | <u>\$ 352,215</u> | <u>\$ 42,689</u> | <u>\$ 227,483</u> |

Exhibit 8

| WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 | TOTAL |
|------------|-------------|------------|-------------|------------|--------------|
| \$ 227,409 | \$ 307,823 | \$ 128,087 | \$ 395,578 | \$ 95,427 | \$ 3,805,546 |
| 236 | 292 | 116 | 425 | 178 | 3,518 |
| 227,645 | 308,115 | 128,203 | 396,003 | 95,605 | 3,809,064 |
| 7,503 | 30,073 | 4,397 | 34,436 | 3,371 | 192,597 |
| 0 | 15 | 0 | 15 | 0 | 30 |
| 130,000 | 170,000 | 77,000 | 270,000 | 31,270 | 1,979,742 |
| 120,440 | 235,074 | 44,695 | 261,451 | 66,729 | 1,909,604 |
| 257,943 | 435,162 | 126,092 | 565,902 | 101,370 | 4,081,973 |
| (30,298) | (127,047) | 2,111 | (169,899) | (5,765) | (272,909) |
| 0 | 2,465,000 | 0 | 2,835,000 | 0 | 8,860,000 |
| 0 | (2,375,000) | 0 | (2,740,000) | 0 | (8,575,000) |
| 0 | 90,000 | 0 | 95,000 | 0 | 285,000 |
| (30,298) | (37,047) | 2,111 | (74,899) | (5,765) | 12,091 |
| 173,825 | 177,268 | 71,081 | 313,071 | 160,579 | 2,351,667 |
| \$ 143,527 | \$ 140,221 | \$ 73,192 | \$ 238,172 | \$ 154,814 | \$ 2,363,758 |

Vernon Parish School Board

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Vernon Parish School Board

Nonmajor Capital Project Funds

Ward 3 Construction was established to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements

Anacoco Construction was established to make classroom additions, cafeteria additions, replace air conditioning units, repair roofs, and other various building improvements

Orange Construction was established to make renovations to the classrooms and other various building improvements

South Polk Construction was established to make renovations to the classrooms and other various building improvements

Ward 3 Construction Phase 2 was established to make additions and improvements to buildings and playgrounds as well as acquiring necessary equipment

Bus Bond was established to acquire new buses

VERNON PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
June 30, 2012

| | <u>WARD 3</u> <u>CONSTRUCTION</u> | <u>ANACOCO</u> <u>CONSTRUCTION</u> | <u>ORANGE</u> <u>CONSTRUCTION</u> |
|--|--------------------------------------|---------------------------------------|--------------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 0 | \$ 0 | \$ 55 |
| Receivables | <u>0</u> | <u>0</u> | <u>32,600</u> |
| Total Assets | <u><u>0</u></u> | <u><u>0</u></u> | <u><u>32,655</u></u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts, salaries and other payables | 0 | 0 | 224,871 |
| Interfund payables | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Liabilities | <u><u>0</u></u> | <u><u>0</u></u> | <u><u>224,871</u></u> |
| Fund Balances | | | |
| Restricted | 0 | 0 | 0 |
| Unassigned | <u>0</u> | <u>0</u> | <u>(192,216)</u> |
| Total Fund Balances | <u><u>0</u></u> | <u><u>0</u></u> | <u><u>(192,216)</u></u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 32,655</u></u> |

Exhibit 9

| SOUTH POLK CONSTRUCTION | WARD 3 CONSTRUCTION PHASE 2 | BUS BOND | TOTAL |
|----------------------------|-----------------------------------|--------------|--------------|
| \$ 0 | \$ 33 | \$ 1,600,000 | \$ 1,600,088 |
| 0 | 91,700 | 0 | 124,300 |
| 0 | 91,733 | 1,600,000 | 1,724,388 |
| 0 | 80,136 | 0 | 305,007 |
| 0 | 11,500 | 0 | 11,500 |
| 0 | 91,636 | 0 | 316,507 |
| 0 | 97 | 1,600,000 | 1,600,097 |
| 0 | 0 | 0 | (192,216) |
| 0 | 97 | 1,600,000 | 1,407,881 |
| \$ 0 | \$ 91,733 | \$ 1,600,000 | \$ 1,724,388 |

VERNON PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2012

| | WARD 3 CONSTRUCTION | ANACOCO CONSTRUCTION | ORANGE CONSTRUCTION |
|--|------------------------|-------------------------|------------------------|
| REVENUES | | | |
| Local sources | | | |
| Interest earnings | \$ 0 | \$ 7 | \$ 95 |
| Other | 0 | 0 | 0 |
| State sources | | | |
| Other | 0 | 0 | 0 |
| Total Revenues | 0 | 7 | 95 |
| EXPENDITURES | | | |
| Current | | | |
| Support services | | | |
| General administration | 0 | 0 | 0 |
| Capital outlay | 0 | 8,055 | 1,314,823 |
| Total Expenditures | 0 | 8,055 | 1,314,823 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | | (8,048) | (1,314,728) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 20,478 | 1,107 | 0 |
| Transfers out | | 0 | 0 |
| Issuance of new debt | 0 | 0 | 1,310,037 |
| Total Other Financing Sources (Uses) | 20,478 | 1,107 | 1,310,037 |
| Net Change in Fund Balances | 20,478 | (6,941) | (4,691) |
| FUND BALANCES - BEGINNING | (20,478) | 6,941 | (187,525) |
| FUND BALANCES - ENDING | \$ 0 | \$ 0 | \$ (192,216) |

Exhibit 10

| SOUTH POLK CONSTRUCTION | WARD 3 CONSTRUCTION PHASE 2 | BUS BOND | TOTAL |
|----------------------------|-----------------------------------|---------------------|---------------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 102 |
| 0 | 312 | 0 | 312 |
| <u>617,600</u> | <u>0</u> | <u>0</u> | <u>617,600</u> |
| <u>617,600</u> | <u>312</u> | <u>0</u> | <u>618,014</u> |
| 0 | 8,112 | 0 | 8,112 |
| <u>720,801</u> | <u>625,877</u> | <u>0</u> | <u>2,669,556</u> |
| <u>720,801</u> | <u>633,989</u> | <u>0</u> | <u>2,677,668</u> |
| <u>(103,201)</u> | <u>(633,677)</u> | <u>0</u> | <u>(2,059,654)</u> |
| 396,206 | 0 | 0 | 417,791 |
| 0 | (6,926) | | (6,926) |
| <u>0</u> | <u>640,700</u> | <u>1,600,000</u> | <u>3,550,737</u> |
| <u>396,206</u> | <u>633,774</u> | <u>1,600,000</u> | <u>3,961,602</u> |
| 293,005 | 97 | 1,600,000 | 1,901,948 |
| <u>(293,005)</u> | <u>0</u> | <u>0</u> | <u>(494,067)</u> |
| <u>\$ 0</u> | <u>\$ 97</u> | <u>\$ 1,600,000</u> | <u>\$ 1,407,881</u> |

Vernon Parish School Board

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SCHOLARSHIP FUND This scholarship agency fund is funded by voluntary employee contributions. The proceeds are used to provide an annual scholarship for an outstanding graduate who plans to major in education.

SALES TAX FUND The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Vernon Parish. Upon receipt of sales tax returns and monies, a direct deposit is made into the bank account of the other taxing authorities.

PROTESTED SALES TAX FUND This fund accounts for collection of sales tax receipts to the Sales Tax Agency that are paid under protest and are set aside until the protest has been resolved.

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS

**Combining Statement of Fiduciary Assets and Liabilities
June 30, 2012**

Exhibit 11

| | <u>SCHOOL ACTIVITIES FUND</u> | <u>SCHOLARSHIP FUND</u> | <u>SALES TAX FUND</u> | <u>PROTESTED SALES TAX FUND</u> | <u>TOTAL</u> |
|---------------------------|---------------------------------------|-----------------------------|-------------------------------|---|----------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,141,249 | \$ 2,866 | \$ 0 | \$ 48,538 | \$ 1,192,653 |
| Investments | 171,282 | 0 | 0 | 0 | 171,282 |
| Accounts receivable | <u>0</u> | <u>0</u> | <u>3,308,094</u> | <u>0</u> | <u>3,308,094</u> |
| Total assets | <u><u>1,312,531</u></u> | <u><u>2,866</u></u> | <u><u>3,308,094</u></u> | <u><u>48,538</u></u> | <u><u>4,672,029</u></u> |
| LIABILITIES | | | | | |
| Deposits due others | 1,312,531 | 2,866 | 3,308,094 | 48,538 | 4,672,029 |
| Total liabilities | <u><u>\$ 1,312,531</u></u> | <u><u>\$ 2,866</u></u> | <u><u>\$ 3,308,094</u></u> | <u><u>\$ 48,538</u></u> | <u><u>\$ 4,672,029</u></u> |

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2012

Exhibit 12

| | Balance, Beginning | Additions | Deductions | Balance, Ending |
|---|-----------------------|----------------------|----------------------|---------------------|
| *****SCHOOL ACTIVITIES FUND***** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,136,565 | \$ 3,241,891 | \$ 3,237,207 | \$ 1,141,249 |
| Investments | 157,383 | 13,899 | 0 | 171,282 |
| Total Assets | <u>\$ 1,293,948</u> | <u>\$ 3,255,790</u> | <u>\$ 3,237,207</u> | <u>\$ 1,312,531</u> |
| LIABILITIES | | | | |
| Deposits due others | <u>\$ 1,293,948</u> | <u>\$ 3,255,790</u> | <u>\$ 3,237,207</u> | <u>\$ 1,312,531</u> |
| *****SCHOLARSHIP FUND***** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | <u>\$ 2,701</u> | <u>\$ 2,099</u> | <u>\$ 1,934</u> | <u>\$ 2,866</u> |
| LIABILITIES | | | | |
| Deposits due others | <u>\$ 2,701</u> | <u>\$ 2,099</u> | <u>\$ 1,934</u> | <u>\$ 2,866</u> |
| *****SALES TAX FUND***** | | | | |
| ASSETS | | | | |
| Accounts receivable | <u>\$ 2,822,804</u> | <u>\$ 29,304,594</u> | <u>\$ 28,819,304</u> | <u>\$ 3,308,094</u> |
| LIABILITIES | | | | |
| Deposits due others | <u>\$ 2,822,804</u> | <u>\$ 29,304,594</u> | <u>\$ 28,819,304</u> | <u>\$ 3,308,094</u> |
| *****PROTESTED SALES TAX FUND***** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | <u>\$ 33,425</u> | <u>\$ 15,113</u> | <u>\$ 0</u> | <u>\$ 48,538</u> |
| LIABILITIES | | | | |
| Deposits due others | <u>\$ 33,425</u> | <u>\$ 15,113</u> | <u>\$ 0</u> | <u>\$ 48,538</u> |

(Continued)

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2012

Exhibit 12

*****ALL AGENCY FUNDS*****

ASSETS

| | | | | |
|---------------------------|--------------|--------------|--------------|--------------|
| Cash and cash equivalents | \$ 1,172,691 | \$ 3,243,990 | \$ 3,239,141 | \$ 1,192,653 |
| Investments | 157,383 | 13,899 | 0 | 171,282 |
| Accounts receivable | 2,822,804 | 29,304,594 | 28,819,304 | 3,308,094 |

| | | | | |
|--------------|---------------------|----------------------|----------------------|---------------------|
| Total Assets | <u>\$ 4,152,878</u> | <u>\$ 32,562,483</u> | <u>\$ 32,058,445</u> | <u>\$ 4,672,029</u> |
|--------------|---------------------|----------------------|----------------------|---------------------|

LIABILITIES

| | | | | |
|---------------------|---------------------|----------------------|----------------------|---------------------|
| Deposits due others | <u>\$ 4,152,878</u> | <u>\$ 32,577,596</u> | <u>\$ 32,058,445</u> | <u>\$ 4,672,029</u> |
|---------------------|---------------------|----------------------|----------------------|---------------------|

| | | | | |
|-------------------|---------------------|----------------------|----------------------|---------------------|
| Total Liabilities | <u>\$ 4,152,878</u> | <u>\$ 32,577,596</u> | <u>\$ 32,058,445</u> | <u>\$ 4,672,029</u> |
|-------------------|---------------------|----------------------|----------------------|---------------------|

(Concluded)

VERNON PARISH SCHOOL BOARD
SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2012

Exhibit 13

| SCHOOL | Balance, Beginning | Additions | Deductions | Balance, Ending |
|---------------------------|-----------------------|---------------------|---------------------|---------------------|
| ANACOCO HIGH | \$ 48,457 | \$ 224,424 | \$ 225,346 | \$ 47,535 |
| ANACOCO ELEMENTARY | 10,930 | 97,499 | 98,039 | 10,390 |
| EAST LEESVILLE ELEMENTARY | 26,591 | 64,306 | 54,770 | 36,127 |
| EVANS | 37,407 | 145,169 | 141,378 | 41,198 |
| GATES | 1,765 | 0 | 1,765 | 0 |
| HICKS | 33,849 | 209,703 | 216,655 | 26,897 |
| HORNBECK | 51,442 | 207,213 | 214,028 | 44,627 |
| LEESVILLE HIGH | 169,255 | 655,823 | 592,374 | 232,704 |
| LEESVILLE JUNIOR HIGH | 31,583 | 146,537 | 147,222 | 30,898 |
| NORTH POLK ELEMENTARY | 46,150 | 68,360 | 90,688 | 23,822 |
| OPTIONAL SCHOOL | 290 | 749 | 420 | 619 |
| PICKERING HIGH | 106,950 | 298,545 | 328,371 | 77,124 |
| PICKERING ELEMENTARY | 59,289 | 131,199 | 123,532 | 66,956 |
| PITKIN HIGH | 284,759 | 135,896 | 141,405 | 279,250 |
| ROSEPINE HIGH | 110,036 | 420,621 | 398,892 | 131,765 |
| ROSEPINE ELEMENTARY | 51,378 | 157,438 | 136,215 | 72,601 |
| SIMPSON | 79,785 | 112,491 | 119,959 | 72,317 |
| SOUTH POLK ELEMENTARY | 52,788 | 43,307 | 64,809 | 31,286 |
| VERNON ELEMENTARY | 53,880 | 100,967 | 102,278 | 52,569 |
| WEST LEESVILLE ELEMENTARY | 37,364 | 35,543 | 39,061 | 33,846 |
| TOTAL | <u>\$ 1,293,948</u> | <u>\$ 3,255,790</u> | <u>\$ 3,237,207</u> | <u>\$ 1,312,531</u> |

Vernon Parish School Board

**SCHEDULE OF COMPENSATION PAID
BOARD MEMBERS**

Vernon Parish School Board

General

Exhibit 14

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2012**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, and the president receives \$900 per month for performing the duties of his office.

| | |
|--|------------------|
| Mike Perkins, President | \$10,200 |
| Randi Gleason, Vice President | 9,600 |
| John Blankenbaker | 9,600 |
| George Brandon | 9,600 |
| Gerald Cooley | 9,600 |
| Beryl Ford, July 1, 2011- February 3, 2012 | 6,000 |
| Millard "Mel" L. Harris | 9,600 |
| Jerry Jeane | 9,600 |
| William R. Martin | 9,600 |
| Robert Pynes, Jr | 9,600 |
| Richard Schwartz, February 7, 2012 - Present | 3,600 |
| Vernon Travis | 10,200 |
| Stephen Woods | <u>9,600</u> |
| TOTAL | <u>\$116,400</u> |

**COMPARATIVE INFORMATION
&
OTHER DATA REQUIRED BY
BOND CONVENANT
WITH THE
U. S. DEPARTMENT OF AGRICULTURE**

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND

WARD 2 - ORANGE

Comparative Balance Sheets

June 30, 2011 and 2012

Exhibit 15

| | <u>2011</u> | <u>2012</u> |
|----------------------------|--------------------------|--------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 437,913 | \$ 15,589 |
| Investments | <u>8,425</u> | <u>336,626</u> |
| TOTAL ASSETS | <u><u>446,338</u></u> | <u><u>352,215</u></u> |
| | | |
| FUND BALANCES | | |
| Reserved for debt service | <u>446,338</u> | <u>352,215</u> |
| TOTAL FUND BALANCES | <u><u>\$ 446,338</u></u> | <u><u>\$ 352,215</u></u> |

VERNON PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUND
WARD 2 - ORANGE
Comparative Statements of Revenues, Expenditures,
and Changes in Fund Balances
For the Years Ended June 30, 2011 and 2012

Exhibit 16

| | 2011 | 2012 |
|--|-------------|-------------|
| REVENUES | | |
| Local sources | | |
| Taxes | | |
| Ad valorem | \$ 240,102 | \$ 184,315 |
| Interest earnings | 839 | 609 |
| | 240,941 | 184,924 |
| EXPENDITURES | | |
| Current | | |
| Support services | | |
| General administration | 8,629 | 6,561 |
| Debt service | | |
| Principal retirement | 25,000 | 111,472 |
| Interest and bank charges | 17,425 | 161,014 |
| | 51,054 | 279,047 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 189,887 | (94,123) |
| FUND BALANCES - BEGINNING | 256,451 | 446,338 |
| FUND BALANCES - ENDING | \$ 446,338 | \$ 352,215 |

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND

WARD 8

Comparative Balance Sheets

June 30, 2011 and 2012

Exhibit 17

| | <u>2011</u> | <u>2012</u> |
|----------------------------|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 105,925 | \$ 10,040 |
| Investments | 54,654 | 144,774 |
| TOTAL ASSETS | <u>160,579</u> | <u>154,814</u> |
| | | |
| FUND BALANCES | | |
| Reserved for debt service | <u>160,579</u> | <u>154,814</u> |
| TOTAL FUND BALANCES | <u>\$ 160,579</u> | <u>\$ 154,814</u> |

VERNON PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUND
WARD 8
Comparative Statements of Revenues, Expenditures,
and Changes in Fund Balances
For the Years Ended June 30, 2011 and 2012

Exhibit 18

| | 2011 | 2012 |
|--|------------|------------|
| REVENUES | | |
| Local sources | | |
| Taxes | | |
| Ad valorem | \$ 109,458 | \$ 95,427 |
| Interest earnings | 234 | 178 |
| Total Revenues | 109,692 | 95,605 |
| EXPENDITURES | | |
| Current | | |
| Support services | | |
| General administration | 3,876 | 3,371 |
| Debt service | | |
| Principal retirement | 29,923 | 31,270 |
| Interest and bank charges | 68,076 | 66,729 |
| Total Expenditures | 101,875 | 101,370 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 7,817 | (5,765) |
| FUND BALANCES - BEGINNING | 152,762 | 160,579 |
| FUND BALANCES - ENDING | \$ 160,579 | \$ 154,814 |

Vernon Parish School Board

**Schedule of Insurance
For the Year Ended June 30, 2012**

Exhibit 19

The School Board has insurance coverage for the following major types of coverage

| <u>Type of Coverage</u> | <u>Policy Effective Date</u> | <u>Policy Expiration Date</u> | <u>Amount of Deductible</u> | <u>Amount of Policy Coverage</u> |
|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------------|--|
| Fire & Extended Coverage | 7/1/11 | 7/1/12 | \$ 100,000 | \$202,462,574 |
| General Liability | 7/1/11 | 7/1/12 | 25,000 | 1,000,000 |
| Workers' Compensation | 8/1/11 | 8/1/12 | 300,000 | 1,000,000 |
| Employee Fidelity | 8/1/11 | 8/1/12 | 5,000 | 250,000 |
| Vehicle Liability | 7/1/11 | 7/1/12 | 25,000 | 1,000,000 |
| Vehicle Collision | 7/1/11 | 7/1/12 | 2,000 | 1,000,000 |
| Board Members' Officers Liability | 7/1/11 | 7/1/12 | 25,000 | 1,000,000 |

Vernon Parish School Board

**Reserve Account
June 30, 2012**

Exhibit 20

The Vernon Parish School Board maintains a sinking fund bank account for Ward II Orange School District and Ward VIII Hicks School District. These accounts are used to fund annual debt service payments for the bond issuance in Ward II and Ward VIII from the United States Department of Agriculture Rural Development.

The following is the detail of the two bond issuances:

| <u>Date of Issuance</u> | <u>Original Amount</u> | <u>Amount Drawn to Date</u> | <u>June 30, 2012 Principal Outstanding</u> |
|---------------------------------|----------------------------|---------------------------------|--|
| Ward II-Orange July 21, 2010 | \$3,600,000 | \$3,035,328 | \$3,035,328 |
| Ward VIII July 18, 2006 | 1,570,000 | 1,570,000 | 1,451,608 |

Vernon Parish School Board

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STATISTICAL SECTION

**Vernon Parish School Board
Statistical Section
Contents**

| | Table Number | Page Number |
|---|-------------------------|------------------------|
| Financial Trends | | |
| These schedules contain trend information to help the reader understand how the School Board's financial performance and well being has changed over time | | |
| Net Assets by Component | 1 | 167 |
| Changes in Net Assets | 2 | 168 |
| Fund Balances of Governmental Funds | 3 | 169 |
| Changes in Fund Balances of Governmental Funds | 4 | 170 |
| Revenue Capacity | | |
| These schedules contain information to help the reader assess one of the School Board's most significant local revenue sources, property and sales tax | | |
| Assessed Value and Estimated Actual Value of Taxable Property | 5 | 171 |
| Overlapping Governments | 6 | 172 |
| Principal Property Taxpayers | 7 | 173 |
| Property Tax Levies and Collections | 8 | 174 |
| Sales and Use Tax Rates and Collections | 9 | 175 |
| Debt Capacity | | |
| These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue debt in the future | | |
| Ratios of Outstanding Debt by Type | 10 | 176 |
| Ratios of General Bonded Debt Outstanding | 11 | 177 |
| Direct and Overlapping Governmental Activities Debt | 12 | 178 |
| Legal Debt Margin Information | 13 | 179 |

(continued)

**Vernon Parish School Board
Statistical Section
Contents**

| | <u>Table Number</u> | <u>Page Number</u> |
|---|-------------------------|------------------------|
| Demographic and Economic Information | | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place | | |
| Demographic and Economic Statistics | 14 | 180 |
| Principal Employers | 15 | 181 |
| Operating Information | | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs | | |
| School Personnel | 16 | 182 |
| School Building Information | 17 | 183 |
| Operating Statistics | 18 | 184 |

Sources Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year

(concluded)

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Net Assets by Component
Fiscal Years Ended June 30, 2003 through June 30, 2012
(Accrual Basis of Accounting)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities | | | | | | | | | | |
| Invested in capital assets net of related debt | \$ 15,877,051 | \$ 14,724,829 | \$ 14,927,832 | \$ 15,908,956 | \$ 16,616,551 | \$ 14,823,115 | \$ 16,396,072 | \$ 16,821,258 | \$ 17,110,626 | \$ 17,817,725 |
| Restricted | 3,278,808 | 4,967,803 | 3,919,624 | 3,887,522 | 4,843,189 | 7,189,495 | 4,510,684 | 4,848,075 | 5,297,917 | 5,147,840 |
| Unrestricted | 3,865,028 | 5,743,862 | 6,450,960 | 7,700,397 | 7,653,310 | 10,217,118 | 7,339,119 | 4,601,368 | (2,188,347) | (8,266,158) |
| Total governmental activities net assets | <u>\$ 23,020,887</u> | <u>\$ 25,436,494</u> | <u>\$ 25,298,416</u> | <u>\$ 27,496,875</u> | <u>\$ 29,113,050</u> | <u>\$ 32,229,728</u> | <u>\$ 28,245,875</u> | <u>\$ 26,270,701</u> | <u>\$ 20,220,196</u> | <u>\$ 14,699,407</u> |

Source: Comprehensive Annual Financial Report

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Changes in Net Assets
Fiscal Years Ended June 30, 2003 through June 30, 2012
(Accrual Basis of Accounting)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Expenses | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular programs | \$ 28,050,994 | \$ 29,434,612 | \$ 30,944,989 | \$ 33,012,955 | \$ 29,401,351 | \$ 32,701,309 | \$ 38,037,707 | \$ 37,428,401 | \$ 39,488,548 | \$ 43,005,602 |
| Special programs | 11,859,139 | 12,434,267 | 13,868,144 | 14,780,498 | 15,750,032 | 14,538,577 | 14,560,675 | 12,963,275 | 14,578,985 | 16,000,695 |
| Other instructional programs | 3,072,432 | 2,820,695 | 3,252,453 | 3,434,608 | 3,665,528 | 3,804,143 | 5,528,132 | 8,151,800 | 5,567,933 | 4,494,574 |
| Support services | | | | | | | | | | |
| Student services | 2,708,577 | 2,919,505 | 3,065,160 | 3,078,977 | 3,250,503 | 3,276,441 | 3,573,479 | 4,831,485 | 5,123,873 | 5,367,333 |
| Instructional staff support | 2,497,430 | 2,493,424 | 2,649,660 | 2,671,572 | 2,853,256 | 3,186,308 | 3,675,020 | 4,453,507 | 4,883,683 | 4,327,332 |
| General administration | 1,529,382 | 1,467,866 | 1,582,637 | 1,539,209 | 1,729,061 | 1,753,800 | 1,536,052 | 1,611,112 | 1,907,569 | 1,906,467 |
| School administration | 3,506,421 | 3,597,609 | 3,844,721 | 4,029,261 | 4,516,103 | 5,467,501 | 6,299,070 | 6,097,743 | 6,528,311 | 6,573,618 |
| Business services | 557,772 | 519,636 | 505,065 | 515,413 | 551,095 | 532,187 | 609,644 | 637,752 | 612,852 | 669,182 |
| Plant services | 6,072,446 | 6,276,572 | 6,528,526 | 7,259,883 | 7,189,088 | 7,812,785 | 8,902,972 | 8,558,445 | 8,913,033 | 9,188,026 |
| Student transportation services | 4,664,597 | 5,070,014 | 5,479,318 | 5,751,312 | 6,129,112 | 6,644,271 | 7,202,412 | 7,294,482 | 7,180,796 | 7,115,968 |
| Central services | 460,289 | 443,887 | 516,118 | 415,655 | 775,894 | 462,815 | 736,495 | 773,622 | 733,513 | 630,565 |
| Food services | 4,314,613 | 4,731,816 | 5,284,644 | 5,286,207 | 5,582,776 | 5,911,613 | 6,747,081 | 6,929,730 | 6,924,015 | 7,270,604 |
| Community services | 33,344 | 44,510 | 67,114 | 84,272 | 55,531 | 59,904 | 72,201 | 57,780 | 58,772 | 66,260 |
| Interest on long-term debt | 622,087 | 965,518 | 950,440 | 914,995 | 975,949 | 865,655 | 954,381 | 897,882 | 1,427,467 | 1,973,433 |
| Total expenses | <u>69,949,523</u> | <u>73,219,931</u> | <u>78,538,989</u> | <u>82,774,817</u> | <u>82,425,279</u> | <u>87,017,309</u> | <u>98,435,321</u> | <u>100,687,016</u> | <u>103,929,350</u> | <u>109,189,659</u> |
| Program Revenues | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food Service Operations | 725,389 | 732,474 | 832,657 | 849,265 | 824,623 | 895,971 | 878,308 | 942,971 | 925,693 | 1,004,166 |
| Operating Grants and Contributions | 9,548,849 | 11,417,563 | 10,743,809 | 13,320,942 | 12,761,872 | 12,830,019 | 13,851,498 | 18,557,756 | 15,073,056 | 14,547,924 |
| Capital Grants and Contributions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 83,068 | 385,669 | 617,600 |
| Total program revenues | <u>10,274,238</u> | <u>12,150,037</u> | <u>11,576,466</u> | <u>14,170,207</u> | <u>13,586,495</u> | <u>13,725,990</u> | <u>14,729,806</u> | <u>19,583,795</u> | <u>16,384,418</u> | <u>16,169,690</u> |
| Net (Expense) / Revenue | <u>(59,675,285)</u> | <u>(61,069,894)</u> | <u>(66,962,523)</u> | <u>(68,604,610)</u> | <u>(68,838,784)</u> | <u>(73,291,319)</u> | <u>(83,705,515)</u> | <u>(81,103,221)</u> | <u>(87,544,932)</u> | <u>(93,019,969)</u> |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Ad valorem taxes levied for general purposes | 2,078,839 | 2,042,171 | 2,253,405 | 2,422,564 | 2,898,498 | 2,720,354 | 3,184,211 | 3,245,871 | 3,244,532 | 3,404,612 |
| Ad valorem taxes levied for debt service purposes | 1,666,123 | 2,150,675 | 2,355,516 | 2,408,637 | 3,083,579 | 2,403,961 | 1,563,709 | 2,294,839 | 3,041,503 | 3,805,546 |
| Sales taxes | 7,470,030 | 8,353,516 | 9,283,499 | 9,730,746 | 9,767,480 | 9,610,440 | 10,621,006 | 10,775,453 | 10,818,744 | 12,231,273 |
| Grants and contributions not restricted to specific program* | 41,187,252 | 42,623,182 | 43,698,749 | 46,280,337 | 47,213,663 | 52,587,881 | 55,096,124 | 55,630,986 | 57,175,819 | 56,929,909 |
| Interest and investment earnings | 230,877 | 178,219 | 303,404 | 607,089 | 852,136 | 732,244 | 326,571 | 252,338 | 274,139 | 152,816 |
| Impact Aid Department of Defense, ROTC | 6,904,128 | 7,832,160 | 8,307,222 | 8,312,798 | 6,752,611 | 7,626,843 | 8,140,126 | 5,980,891 | 5,927,128 | 10,030,372 |
| Miscellaneous | 1,361,197 | 305,577 | 622,646 | 1,040,905 | 1,004,926 | 726,274 | 789,915 | 947,669 | 1,012,562 | 978,077 |
| Total | <u>60,898,446</u> | <u>63,485,500</u> | <u>66,824,441</u> | <u>70,803,076</u> | <u>71,572,893</u> | <u>76,407,997</u> | <u>79,721,662</u> | <u>79,128,047</u> | <u>81,494,427</u> | <u>87,532,605</u> |
| Change in Net Assets | <u>\$ 1,223,161</u> | <u>\$ 2,415,606</u> | <u>\$ (138,082)</u> | <u>\$ 2,198,466</u> | <u>\$ 2,734,109</u> | <u>\$ 3,116,678</u> | <u>\$ (3,983,853)</u> | <u>\$ (1,975,174)</u> | <u>\$ (6,050,505)</u> | <u>\$ (5,487,364)</u> |

Source: Comprehensive Annual Financial Report

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
|---|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 1,109,165 | \$ 846,320 | \$ 648,089 | \$ 663,900 | \$ 670,097 | \$ 693,376 | \$ 699,109 | \$ 656,878 | \$ 0 | \$ 0 |
| Unreserved | 5,004,214 | 7,061,986 | 8,055,122 | 9,221,797 | 9,533,763 | 12,141,268 | 16,185,848 | 19,495,960 | 0 | 0 |
| Nonspendable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 679,425 | 646,000 |
| Committed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 600,000 |
| Assigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unassigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,730,728 | 23,935,602 |
| Total general fund | <u>6,113,379</u> | <u>7,908,306</u> | <u>8,703,211</u> | <u>9,885,697</u> | <u>10,203,860</u> | <u>12,834,644</u> | <u>16,884,957</u> | <u>20,152,838</u> | <u>22,410,153</u> | <u>25,181,602</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | 1,161,530 | 1,058,868 | 884,171 | 1,048,187 | 1,937,835 | 1,995,566 | 1,470,228 | 1,689,706 | 0 | 0 |
| Unreserved, reported in | | | | | | | | | | |
| Special revenue funds | 1,521,149 | 2,479,768 | 1,488,298 | 1,659,723 | 2,263,826 | 2,390,824 | 2,747,241 | 3,535,590 | 0 | 0 |
| Capital projects funds | (196,660) | 7,240,620 | 3,656,562 | 588,708 | 26,091 | 2,164,211 | 1,770,305 | 10,716 | 0 | 0 |
| Nonspendable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 142,009 | 101,861 |
| Restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26,483,283 | 21,887,480 |
| Committed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 962,407 | 1,300,694 |
| Assigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unassigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (501,008) | (192,216) |
| Total all other governmental funds | <u>2,486,019</u> | <u>10,779,256</u> | <u>6,029,031</u> | <u>3,296,618</u> | <u>4,227,752</u> | <u>6,550,601</u> | <u>5,987,774</u> | <u>5,236,012</u> | <u>27,086,691</u> | <u>23,097,819</u> |
| Grand total of funds | <u>\$ 8,599,398</u> | <u>\$ 18,687,562</u> | <u>\$ 14,732,242</u> | <u>\$ 13,182,315</u> | <u>\$ 14,431,612</u> | <u>\$ 19,385,245</u> | <u>\$ 22,872,731</u> | <u>\$ 25,388,850</u> | <u>\$ 49,496,844</u> | <u>\$ 48,279,421</u> |

Source: Comprehensive Annual Financial Report

Note (1) GASB Statement No. 54 was implemented for the year ended June 30, 2011

(2) The reserved fund balances before GASB 54 was implemented were classified as restricted after GASB 54 was implemented

Table 4

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---------------------|---------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|-----------------------|
| Revenues | | | | | | | | | | |
| Ad valorem taxes | \$ 3,744,962 | \$ 4,192,846 | \$ 4,608,921 | \$ 4,831,201 | \$ 5,982,077 | \$ 5,124,315 | \$ 4,747,920 | \$ 5,540,710 | \$ 6,286,035 | \$ 7,210,158 |
| Sales & use taxes | 7,470,030 | 8,353,516 | 9,283,499 | 9,730,746 | 9,767,480 | 9,610,440 | 10,621,006 | 10,775,453 | 10,818,744 | 12,231,273 |
| Investment Earning | 230,877 | 178,219 | 303,404 | 607,089 | 852,136 | 732,244 | 326,571 | 252,338 | 274,139 | 152,816 |
| Food services | 725,389 | 732,474 | 832,657 | 849,265 | 824,623 | 895,971 | 878,308 | 942,971 | 925,693 | 1,004,166 |
| Other Revenues | 675,372 | 874,928 | 1,029,531 | 1,079,091 | 1,019,691 | 837,784 | 907,465 | 1,097,371 | 1,079,910 | 1,004,223 |
| Total revenues from local sources | <u>12,846,630</u> | <u>14,331,983</u> | <u>16,058,012</u> | <u>17,097,392</u> | <u>18,446,007</u> | <u>17,200,754</u> | <u>17,481,270</u> | <u>18,608,843</u> | <u>19,384,521</u> | <u>21,602,636</u> |
| Equalization | 40,446,843 | 42,172,018 | 43,052,370 | 45,664,496 | 46,656,010 | 52,007,161 | 54,576,977 | 55,103,810 | 54,275,158 | 56,465,134 |
| Other | 2,534,643 | 2,602,043 | 1,709,519 | 2,406,928 | 2,233,411 | 3,289,495 | 4,190,703 | 1,990,435 | 1,395,570 | 1,495,551 |
| Total revenue from state sources | <u>42,981,486</u> | <u>44,774,061</u> | <u>44,761,889</u> | <u>48,071,424</u> | <u>48,889,421</u> | <u>55,296,656</u> | <u>58,767,680</u> | <u>57,094,245</u> | <u>55,670,728</u> | <u>57,960,685</u> |
| Revenue from federal sources | 15,415,164 | 17,098,844 | 17,794,193 | 19,864,156 | 17,838,728 | 17,748,087 | 18,320,068 | 23,158,456 | 22,890,944 | 24,165,120 |
| Total Revenues | <u>71,243,280</u> | <u>76,204,888</u> | <u>78,614,094</u> | <u>85,032,972</u> | <u>85,174,156</u> | <u>90,245,497</u> | <u>94,569,018</u> | <u>98,861,544</u> | <u>97,946,193</u> | <u>103,728,441</u> |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| Instruction services | 41,729,832 | 43,526,493 | 47,030,215 | 50,249,402 | 47,698,521 | 49,619,659 | 51,935,494 | 53,580,570 | 52,593,523 | 55,912,775 |
| Student services | 2,708,577 | 2,919,505 | 3,065,160 | 3,078,977 | 3,250,503 | 3,276,441 | 3,239,010 | 4,404,846 | 4,608,378 | 4,765,205 |
| Instructional staff support | 2,476,692 | 2,490,086 | 2,647,934 | 2,670,497 | 2,852,517 | 3,185,255 | 3,357,095 | 4,084,880 | 4,398,974 | 3,883,499 |
| General administration | 1,550,176 | 1,778,001 | 1,753,511 | 1,579,358 | 1,773,632 | 1,851,805 | 1,474,787 | 1,632,086 | 1,806,824 | 1,801,407 |
| School administration | 3,445,814 | 3,545,408 | 3,780,757 | 3,958,889 | 4,441,296 | 5,382,558 | 5,656,743 | 5,573,420 | 5,802,597 | 5,838,013 |
| Business services | 552,250 | 518,041 | 503,699 | 514,653 | 549,861 | 529,874 | 556,717 | 581,479 | 548,509 | 601,605 |
| Plant services | 6,060,940 | 6,259,112 | 6,495,144 | 7,226,582 | 7,193,203 | 7,778,948 | 8,530,650 | 8,349,579 | 8,443,651 | 8,582,495 |
| Student transportation services | 4,612,661 | 5,066,296 | 5,424,712 | 5,716,148 | 6,088,447 | 6,597,148 | 6,713,371 | 7,002,635 | 6,605,648 | 7,115,861 |
| Central services | 460,289 | 443,887 | 516,118 | 415,655 | 775,894 | 462,815 | 698,998 | 734,601 | 692,947 | 592,738 |
| Food service | 4,234,825 | 4,520,801 | 5,003,395 | 5,077,443 | 5,808,370 | 5,643,117 | 6,165,063 | 6,441,802 | 6,230,640 | 6,580,326 |
| Community services | 33,344 | 44,510 | 67,114 | 84,272 | 55,531 | 59,904 | 66,213 | 55,945 | 56,456 | 62,890 |
| Capital Outlay | 2,759,105 | 4,609,624 | 7,063,493 | 3,827,917 | 2,776,226 | 954,270 | 1,130,810 | 1,877,936 | 3,098,715 | 9,122,016 |
| Debt service | | | | | | | | | | |
| Principal | 1,173,653 | 1,350,419 | 1,281,204 | 1,199,875 | 1,239,488 | 1,377,505 | 1,121,430 | 1,105,230 | 1,066,008 | 1,979,742 |
| Interest | 562,466 | 853,472 | 873,060 | 983,226 | 937,043 | 916,735 | 942,038 | 920,416 | 1,218,882 | 1,909,604 |
| Advanced escrow funding | 0 | 0 | 307,402 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>72,360,624</u> | <u>77,925,655</u> | <u>85,812,918</u> | <u>86,582,894</u> | <u>85,440,532</u> | <u>87,636,034</u> | <u>91,588,419</u> | <u>96,345,425</u> | <u>97,171,752</u> | <u>108,748,176</u> |
| Excess of revenues over (under) expenditures | <u>(1,117,344)</u> | <u>(1,720,767)</u> | <u>(7,198,824)</u> | <u>(1,549,922)</u> | <u>(266,376)</u> | <u>2,609,463</u> | <u>2,980,599</u> | <u>2,516,119</u> | <u>774,441</u> | <u>(5,019,735)</u> |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Proceeds from borrowing | 5,856,500 | 8,200,000 | 4,958,500 | 0 | 1,515,673 | 4,189,400 | 506,887 | 0 | 23,311,763 | 3,550,737 |
| Proceeds from refunding | 0 | 0 | 0 | 0 | 0 | (1,848,609) | 0 | 0 | 381,000 | 8,860,000 |
| Payments to escrow agent | 0 | 0 | (1,715,000) | 0 | 0 | 0 | 0 | 0 | (381,000) | (8,575,000) |
| Transfers in | 955,309 | 0 | 1,302,243 | 1,747,442 | 1,696,500 | 1,565,007 | 1,690,715 | 1,406,132 | 1,369,021 | 1,842,717 |
| Transfers out | (955,309) | 0 | (1,302,243) | (1,747,442) | (1,696,500) | (1,565,007) | (1,690,715) | (1,406,132) | (1,369,021) | (1,842,717) |
| Premium on bonds issued | 0 | 0 | 0 | 0 | 0 | 3,379 | 0 | 0 | 21,790 | 0 |
| Total other financing sources (uses) | <u>5,856,500</u> | <u>8,200,000</u> | <u>3,243,500</u> | <u>0</u> | <u>1,515,673</u> | <u>2,344,170</u> | <u>506,887</u> | <u>0</u> | <u>23,333,553</u> | <u>3,835,737</u> |
| Net change in fund balances | <u>\$ 4,739,156</u> | <u>\$ 6,479,233</u> | <u>\$ (3,955,324)</u> | <u>\$ (1,549,922)</u> | <u>\$ 1,249,297</u> | <u>\$ 4,953,633</u> | <u>\$ 3,487,486</u> | <u>\$ 2,516,119</u> | <u>\$ 24,107,994</u> | <u>\$ (1,183,998)</u> |
| Debt service as a percentage of noncapital expenditures | 2.5% | 3.0% | 2.7% | 2.6% | 2.6% | 2.6% | 2.3% | 2.1% | 2.4% | 3.9% |

Source: Comprehensive Annual Financial Report

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Real Property | | Personal Property | Less Homestead Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|---------------------------|----------------------|---------------------|-------------------|--------------------------------|------------------------------|-----------------------|--------------------------------|--|
| | Residential Property | Commercial Property | | | | | | |
| 2003 | \$ 53,489,930 | \$ 49,448,210 | \$ 14,970,980 | \$ 33,946,550 | \$ 83,962,570 | 131 18 | \$ 934,146,900 | 12 62% |
| 2004 | 53,830,130 | 49,706,760 | 14,417,220 | 34,456,620 | 83,497,490 | 131 18 | 934,147,684 | 12 63% |
| 2005 | 59,563,020 | 52,273,800 | 15,948,490 | 37,745,930 | 90,039,380 | 131 18 | 1,019,744,139 | 12 53% |
| 2006 | 61,236,460 | 66,752,210 | 17,356,540 | 38,386,650 | 106,958,560 | 131 18 | 1,191,318,246 | 12 20% |
| 2007 | 71,122,170 | 29,932,680 | 44,916,520 | 39,393,293 | 106,578,077 | 141 18 | 1,106,672,498 | 13 19% |
| 2008 | 74,483,380 | 31,868,780 | 38,645,600 | 40,805,178 | 104,192,582 | 144 70 | 1,111,344,816 | 13 05% |
| 2009 | 80,359,490 | 35,800,130 | 50,959,170 | 42,640,030 | 124,478,760 | 144 97 | 1,278,859,295 | 13 07% |
| 2010 | 83,540,140 | 35,638,030 | 46,163,720 | 43,883,160 | 121,458,730 | 152 22 | 1,277,762,150 | 12 94% |
| 2011 | 89,062,970 | 35,780,470 | 38,177,500 | 45,925,907 | 117,095,033 | 157 20 | 1,278,471,460 | 12 75% |
| 2012 | 93,035,570 | 35,472,550 | 39,589,200 | 47,441,907 | 120,655,413 | 157 20 | 1,325,668,067 | 12 68% |

171

Source Vernon Parish Tax Assessor Agency

Notes

- (1) Property in the parish is reassessed every four years
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value
- (4) Total direct tax rate includes only operating millages
- (5) For years prior to 2007 oil and gas wells were classified as commercial property For 2007 this was changed to classify oil and gas wells as personal property

Table 6

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Overlapping Governments
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | School District Direct Rate | | | Overlapping Rates | | Total Direct and Overlapping Rates |
|------------------------------------|-----------------------------|-------------------------|-------------------------|------------------------------|----------------------|--|
| | Operating Millage | Debt Service Millage | Total School Millage | Vernon Parish Police Jury | City of Leesville | |
| 2003 | 131 18 | 297 65 | 428 83 | 119 35 | 22 69 | 570 87 |
| 2004 | 131 18 | 385 57 | 516 75 | 119 35 | 23 69 | 659 79 |
| 2005 | 131 18 | 356 34 | 487 52 | 147 41 | 22 77 | 657 70 |
| 2006 | 131 18 | 353 16 | 484 34 | 147 41 | 21 38 | 653 13 |
| 2007 | 141 18 | 357 56 | 498 74 | 147 41 | 20 66 | 666 81 |
| 2008 | 144 70 | 356 16 | 500 86 | 155 30 | 20 75 | 676 91 |
| 2009 | 144 97 | 197 65 | 342 62 | 117 17 | 15 06 | 474 85 |
| 2010 | 152 22 | 292 07 | 444 29 | 122 16 | 15 06 | 581 51 |
| 2011 | 157 20 | 275 79 | 432 99 | 130 07 | 16 60 | 579 66 |
| 2012 | 157 20 | 271 52 | 428 72 | 130 07 | 17 76 | 576 55 |

Notes

- (1) School district debt service millage is for individual school districts
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Vernon Parish Not all overlapping rates apply to all property owners

Table 7

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Principal Property Taxpayers
June 30, 2012 and Nine Years Ago

| Taxpayer | Fiscal Year 2012 | | | Fiscal Year 2003 | | |
|-------------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Eagle Rock Energy | \$ 6,049,090 | 1 | 5 17 % | | | |
| Addison Oil, LLC | 5,370,550 | 2 | 4 59 | | | |
| Swift Energy Operating | 4,370,510 | 3 | 3 73 | \$ 5,998,060 | 1 | 7 14 % |
| Cleco Corporation | 4,066,000 | 4 | 3 47 | 4,044,060 | 4 | 4 82 |
| Bell South Telecommunications | 3,340,480 | 5 | 2 85 | 4,536,940 | 2 | 5 40 |
| Amisub (Byrd Hospital) | 2,598,520 | 6 | 2 22 | | | |
| Beauregard Electric Company | 2,351,650 | 7 | 2 01 | 1,665,530 | 7 | 1 98 |
| Entergy Louisiana | 1,865,670 | 8 | 1 59 | | | |
| Tenneco, Inc | 1,653,180 | 9 | 1 41 | | | |
| Indigo Minerals | 1,549,710 | 10 | 1 28 | | | |
| Valley Electric | | | | 1,353,300 | 9 | 1 61 |
| Merchants & Farmers Bank | | | | 1,181,940 | 10 | 1 41 |
| Boise Cascade Corp | | | | 1,923,350 | 6 | 2 29 |
| Fuels Acquisiton | | | | 2,705,410 | 5 | 3 22 |
| Crosby Land and Resources | | | | 1,361,050 | 8 | 1 62 |
| Anadarko E&P Company, LP | | | | 4,315,210 | 3 | 5 14 |
| Totals | \$ <u>33,215,360</u> | | <u>28 33 %</u> | \$ <u>29,084,850</u> | | <u>34 64 %</u> |

Source Vernon Parish Tax Assessor Agency

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

174

| Fiscal Year Ended June 30 | Total Tax Levy for Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections In Subsequent Years | Total Collections to Date | |
|---------------------------------|--------------------------------------|---|--------------------|------------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2003 | \$ 3,717,648 | \$ 3,717,648 | 100 00% | 0 | \$ 3,717,648 | 100 00% |
| 2004 | 4,160,169 | 4,160,169 | 100 00% | 0 | 4,160,169 | 100 00% |
| 2005 | 4,602,691 | 4,602,691 | 100 00% | 0 | 4,602,691 | 100 00% |
| 2006 | 5,433,774 | 4,831,201 | 88 91% | 602,573 | 5,433,774 | 100 00% |
| 2007 | 5,451,101 | 5,402,823 | 99 11% | 14,672 | 5,417,495 | 99 38% |
| 2008 | 5,028,414 | 4,982,201 | 99 08% | 960 | 4,983,161 | 99 10% |
| 2009 | 4,734,204 | 4,617,879 | 97 54% | 11,334 | 4,629,213 | 97 78% |
| 2010 | 5,620,355 | 5,423,596 | 96 50% | 406 | 5,424,002 | 96 51% |
| 2011 | 6,274,406 | 6,132,048 | 97 73% | 44,822 | 6,176,870 | 98 45% |
| 2012 | 7,090,335 | 7,005,340 | 98 80% | N/A | 7,005,340 | 98 80% |

Source Vernon Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Sales and Use Tax Rates and Collections - All Governments
Last Ten Fiscal Years

| Fiscal Year | Sales and Use Tax Rates | | | | | | Tax Collections | | | | | |
|-------------|-------------------------|-------------|------------------|----------------|-------|------------|-----------------|--------------|------------------|----------------|------------|-------------------|
| | Parishwide | | | Municipalities | | | Parishwide | | | Municipalities | | |
| | School Board | Police Jury | Sheriff's Office | Leesville | Other | Total Rate | School Board | Police Jury | Sheriff's Office | Leesville | Other | Total Collections |
| 2003 | 2 00% | 1 50% | | 1 50% | 3 00% | 5 00% | \$ 7,412,940 | \$ 5,552,438 | \$ 0 | \$ 1,965,800 | \$ 179,265 | \$ 15,110,443 |
| 2004 | 2 00% | 1 50% | 0 50% | 1 50% | 3 00% | 5 50% | 8,257,329 | 6,260,936 | 309,028 | 2,332,067 | 194,356 | 17,353,716 |
| 2005 | 2 00% | 1 50% | 0 50% | 1 50% | 3 00% | 5 50% | 9,184,428 | 6,974,229 | 2,241,989 | 3,494,100 | 222,644 | 22,117,390 |
| 2006 | 2 00% | 1 50% | 0 50% | 1 50% | 3 00% | 5 50% | 9,641,500 | 7,327,996 | 2,322,994 | 3,645,023 | 223,770 | 23,161,283 |
| 2007 | 2 00% | 1 50% | 0 50% | 1 50% | 3 00% | 5 50% | 9,798,921 | 7,465,740 | 2,412,815 | 3,841,304 | 224,372 | 23,743,152 |
| 2008 | 2 00% | 1 50% | 0 50% | 1 50% | 3 50% | 5 50% | 9,682,872 | 7,405,130 | 2,396,185 | 3,855,955 | 255,172 | 23,595,314 |
| 2009 | 2 00% | 1 50% | 0 50% | 1 50% | 3 50% | 5 50% | 10,333,059 | 7,936,729 | 2,575,893 | 3,959,316 | 262,433 | 25,067,430 |
| 2010 | 2 00% | 1 50% | 0 50% | 1 50% | 3 50% | 5 50% | 10,929,707 | 8,196,150 | 2,731,383 | 4,164,579 | 498,759 | 26,520,578 |
| 2011 | 2 00% | 1 50% | 0 50% | 1 50% | 3 50% | 5 50% | 10,773,530 | 8,079,219 | 2,694,610 | 4,027,757 | 549,709 | 26,124,825 |
| 2012 | 2 00% | 1 50% | 0 50% | 1 50% | 4 00% | 5 50% | 11,966,547 | 8,973,442 | 2,990,986 | 4,183,411 | 704,918 | 28,819,304 |

Notes

- (1) Information provided by Vernon Parish Sales and Use Tax Agency
- (2) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate
- (3) The Municipalities - Other column includes 1% for Hornbeck and 1 5% each for New Llano and Rosepine
- (4) Sales tax collections reported by the Vernon Sales and Use Tax Agency are on the cash basis
- (5) The Sheriff's Office is a new sales and use tax levy of 1/2% effective for 4/1/2004

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| <u>Fiscal Year Ended June 30</u> | <u>General Obligation Bonds</u> | <u>Certificate of Indebtedness</u> | <u>Capital Leases</u> | <u>Total Debt Outstanding</u> | <u>Percentage of Personal Income</u> | <u>Per Capita</u> |
|----------------------------------|---------------------------------|------------------------------------|-----------------------|-------------------------------|--------------------------------------|-------------------|
| 2003 | \$ 13,071,332 | \$ 0 | \$ 29,961 | \$ 13,101,293 | 1.09% | 257 |
| 2004 | 19,935,440 | 0 | 15,434 | 19,950,874 | 1.55% | 394 |
| 2005 | 21,607,737 | 0 | 0 | 21,607,737 | 1.58% | 436 |
| 2006 | 20,407,862 | 0 | 0 | 20,407,862 | 1.41% | 419 |
| 2007 | 20,570,682 | 0 | 56,567 | 20,627,249 | 1.30% | 441 |
| 2008 | 21,504,492 | 0 | 44,167 | 21,548,659 | 1.26% | 455 |
| 2009 | 20,903,444 | 0 | 30,672 | 20,934,116 | 1.27% | 459 |
| 2010 | 19,812,902 | 0 | 15,984 | 19,828,886 | 1.02% | 425 |
| 2011 | 42,074,641 | 0 | 0 | 42,074,641 | 1.91% | 804 |
| 2012 | 42,330,636 | 1,600,000 | 0 | 43,930,636 | 2.14% | 843 |

Notes

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements
- (2) General Obligation Bonds column excludes certificates of indebtedness
- (3) See the Schedule of Demographic and Economic Statistics (Table 14) for personal income and population data

Table 11

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

| <u>Fiscal Year Ended June 30</u> | <u>General Obligation Bonds</u> | <u>Less Amounts Available in Debt Service Funds</u> | <u>Total</u> | <u>Percentage of Estimated Actual Taxable Value of Property</u> | <u>Per Capita</u> |
|--|---|---|---------------|---|-----------------------|
| 2003 | \$ 13,071,332 | \$ 1,161,530 | \$ 11,909,802 | 1.27% | \$ 233 |
| 2004 | 19,935,440 | 1,058,868 | 18,876,572 | 2.02% | 373 |
| 2005 | 21,607,737 | 884,171 | 20,723,566 | 2.03% | 418 |
| 2006 | 20,407,862 | 1,048,187 | 19,359,675 | 1.63% | 397 |
| 2007 | 20,570,682 | 1,937,835 | 18,632,847 | 1.68% | 399 |
| 2008 | 21,504,492 | 1,995,566 | 19,508,926 | 1.76% | 412 |
| 2009 | 20,903,444 | 1,470,228 | 19,433,216 | 1.52% | 426 |
| 2010 | 19,812,902 | 1,689,706 | 18,123,196 | 1.42% | 389 |
| 2011 | 42,074,641 | 2,351,667 | 39,722,974 | 3.11% | 759 |
| 2012 | 42,330,636 | 2,363,758 | 39,966,878 | 3.01% | 767 |

Notes

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements
- (2) General Obligation Bonds column excludes certificates of indebtedness
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2012

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|---|-------------------------|--|--|
| Debt repaid with property taxes | | | |
| Vernon Parish Police Jury | \$ 8,957,000 | 100.00% | \$ 8,957,000 |
| City of Leesville | 3,165,000 | 100.00% | <u>3,165,000</u> |
| Subtotal, overlapping debt | | | <u>12,122,000</u> |
| Vernon Parish School Board Direct Debt | 43,930,636 | | <u>43,930,636</u> |
| Total direct and overlapping debt | | | <u>\$ 56,052,636</u> |

Sources Debt outstanding data extracted from annual financial report of respective governments

Notes

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Vernon Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes all debt outstanding in Table 10.

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Debt Limit | \$ 41,267,142 | \$ 41,283,939 | \$ 44,724,859 | \$ 50,870,824 | \$ 51,089,980 | \$ 50,749,216 | \$ 83,559,395 | \$ 82,670,945 | \$ 81,510,470 | \$ 84,048,660 |
| Total net debt applicable to limit | 11,909,802 | 18,876,572 | 20,723,566 | 19,359,675 | 18,632,847 | 19,508,926 | 19,433,216 | 18,123,196 | 39,722,974 | 39,966,878 |
| Legal debt margin | \$ 29,357,340 | \$ 22,407,367 | \$ 24,001,293 | \$ 31,511,149 | \$ 32,457,133 | \$ 31,240,290 | \$ 64,126,179 | \$ 64,547,749 | \$ 41,787,496 | \$ 44,081,782 |
| Total net debt applicable to the limit as a percentage of debt limit | 28.86% | 45.72% | 46.34% | 38.06% | 36.47% | 38.44% | 23.26% | 21.92% | 48.73% | 47.55% |

Legal Debt Margin Calculation for Fiscal Year 2012

| | |
|---|----------------|
| Assessed value | \$ 120,655,413 |
| Add back exempt real property | 47,441,907 |
| Total assessed value | 168,097,320 |
| Debt limit (50% of total assessed value) | 84,048,660 |
| Debt applicable to limit | |
| General Obligation bonds | 42,330,636 |
| Less Amount set aside for repayment of general obligation debt | 2,363,758 |
| Total net debt applicable to limit | 39,966,878 |
| Legal debt margin | \$ 44,081,782 |

Source Comprehensive Annual Financial Report

Notes

(1) The debt limit is 50% of total assessed value. This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature.

Table 14

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

| <u>Fiscal Year Ended June 30</u> | <u>Population</u> | <u>Personal Income</u> | <u>Per Capita Personal Income</u> | <u>School Enrollment</u> | <u>Percentage on Free & Reduced Meals</u> | <u>Unemployment Rate</u> |
|--|-------------------|----------------------------|---|------------------------------|---|------------------------------|
| 2003 | 51,008 | \$ 1,203,687,000 | \$ 23,598 | 9,677 | N/A | 6.5 |
| 2004 | 50,669 | 1,284,139,000 | 25,344 | 9,544 | N/A | 6.5 |
| 2005 | 49,545 | 1,367,319,000 | 27,598 | 9,621 | N/A | 6.5 |
| 2006 | 48,745 | 1,448,952,000 | 29,725 | 9,232 | N/A | 4.1 |
| 2007 | 46,748 | 1,582,628,000 | 33,854 | 9,107 | 47.35 % | 4.2 |
| 2008 | 47,380 | 1,716,304,000 | 36,224 | 8,997 | 55.83 | 4.5 |
| 2009 | 45,639 | 1,586,594,196 | 34,764 | 9,661 | 57.55 | 4.6 |
| 2010 | 46,616 | 1,943,234,576 | 41,686 | 9,363 | 59.25 | 5.9 |
| 2011 | 52,334 | 2,202,162,386 | 42,079 | 9,348 | 59.60 | 7.3 |
| 2012 | 52,107 | 2,054,631,117 | 39,431 | 9,496 | 57.50 | 7.7 |

Sources

- (1) Population data obtained from the U S Census Bureau
- (2) School enrollment and free and reduced meals data obtained from Louisiana Department of Education, which does not include the enrollment for Pre K
- (3) Unemployment rate obtained from U S Department of Labor
- (4) Personal Income data obtained from www stats indiana edu

Table 15

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Principal Employers
Current Year and Nine Years Ago

| | 2012 | | 2003 | |
|--------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
| | Number of Employees | % of Total Employment | Number of Employees | % of Total Employment |
| Fort-Polk- JRTC (active duty) | 9,792 | 45 19% | 10,253 | 1 54 55% |
| Fort-Polk- JRTC (civilian employees) | 5,758 | 26 57% | 5,325 | 2 28 33% |
| Vernon Parish School Board | 2,451 | 11 31% | 1,447 | 3 7 70% |
| Wal-Mart Supercenter | 450 | 2 08% | 500 | 4 2 66% |
| Byrd Regional Hospital | 370 | 1 71% | 260 | 5 1 38% |
| Vernon Parish Sheriff's Office | 193 | 0 89% | 179 | 7 0 95% |
| Vernon Parish Police Jury | 173 | 0 80% | 210 | 6 1 12% |
| Picerne Military Housing | 127 | 0 59% | | |
| Lowe's | 126 | 0 58% | | |
| Market Basket | 110 | 0 51% | | |
| City of Leesville | 85 | 0 39% | 110 | 10 0 59% |
| Community Care Center of Leesville | | | 150 | 8 0 80% |
| Leesville Development Center | | | 125 | 9 0 66% |
| Source City of Leesville | | | | |

Notes

(1) Employment data obtained from U S Department of Labor Non civilian labor has been added to total

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

School Personnel
Fiscal Years Ended June 30 2003 Through June 30, 2012

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------------------|------|------|------|------|------|------|------|------|------|------|
| Teachers | | | | | | | | | | |
| Less than a Bachelor's degree | 0 | 14 | 7 | 16 | 16 | 6 | 3 | 5 | 0 | 0 |
| Bachelor | 555 | 540 | 517 | 530 | 484 | 462 | 472 | 492 | 487 | 483 |
| Master | 104 | 96 | 110 | 116 | 121 | 110 | 110 | 104 | 104 | 110 |
| Master +30 | 50 | 44 | 40 | 47 | 53 | 44 | 43 | 35 | 27 | 23 |
| Specialist in Education | 3 | 4 | 3 | 4 | 3 | 3 | 2 | 1 | 1 | 1 |
| Ph D or Ed D | 1 | 2 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 0 |
| Total | 713 | 700 | 677 | 714 | 678 | 626 | 631 | 638 | 619 | 617 |
| Principals & Assistants | | | | | | | | | | |
| Bachelor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Master | 15 | 15 | 15 | 20 | 19 | 19 | 20 | 16 | 16 | 21 |
| Master +30 | 21 | 24 | 23 | 22 | 20 | 20 | 20 | 22 | 23 | 19 |
| Specialist in Education | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 1 |
| Ph D or Ed D | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 39 | 42 | 41 | 45 | 41 | 41 | 42 | 40 | 41 | 41 |

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements

Table 17

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

School Building Information
June 30, 2012

| <u>Instructional Sites</u> | <u>Date Constructed</u> | <u>Enrollment</u> | <u>Grades Taught</u> |
|----------------------------|-----------------------------|----------------------|----------------------|
| High Schools | | | |
| Anacoco | 1986 | 387 | 7-12 |
| Evans | 1958 | 425 | Pre K-12 |
| Hicks | 1986 | 363 | Pre K-12 |
| Hornbeck | 1967 | 456 | Pre K-12 |
| Leesville | 1959 | 877 | 9-12 |
| Pickering | 1981 | 578 | 7-12 |
| Pitkin | 1970 | 526 | Pre K-12 |
| Rosepine | 1986 | 548 | 7-12 |
| Simpson | 1970 | 347 | Pre K-12 |
| Middle Schools | | | |
| Leesville Junior High | 1976 | 506 | 7-8 |
| Vernon | 1958 | 514 | 5-6 |
| Elementary Schools | | | |
| East Leesville | 1952 | 512 | Pre K-1 |
| Pickering | 1966 | 931 | Pre K-6 |
| South Polk | 1975 | 536 | 2-4 |
| West Leesville | 1958 | 449 | 2-4 |
| Rosepine | 1932 | 884 | Pre K-6 |
| Anacoco | 1967 | 519 | Pre K-6 |
| North Polk | 1995 | 821 | Pre K-1 |
| Vernon Optional | | 2 | 7-12 |
| <u>TOTAL:</u> | | <u>10,181</u> | |

Note Total enrollment includes MFP enrollment plus Pre K students

Table 18

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Operating Statistics
For the Fiscal Years Ended June 30, 2003 through June 30, 2012

| Fiscal Year Ended June 30 | Expenses | Enrollment | Cost Per Pupil | Percentage Change | Teaching Staff | Pupil/ Teacher Ratio |
|---------------------------------|---------------|------------|-------------------|----------------------|-------------------|----------------------------|
| 2003 | \$ 69,949,523 | 9,677 | \$ 7,228 | 0 | 713 | 13.57 |
| 2004 | 73,219,931 | 9,544 | 7,672 | 6.13% | 700 | 13.63 |
| 2005 | 78,538,989 | 9,621 | 8,163 | 6.41% | 677 | 14.21 |
| 2006 | 82,774,817 | 9,232 | 8,966 | 9.83% | 714 | 12.93 |
| 2007 | 82,425,279 | 9,107 | 9,051 | 0.94% | 678 | 13.43 |
| 2008 | 87,017,305 | 8,997 | 9,672 | 6.86% | 626 | 14.37 |
| 2009 | 98,435,321 | 9,661 | 10,189 | 5.35% | 631 | 15.31 |
| 2010 | 100,687,016 | 9,363 | 10,754 | 5.54% | 638 | 14.68 |
| 2011 | 103,929,350 | 9,348 | 11,118 | 3.39% | 619 | 15.10 |
| 2012 | 109,189,659 | 9,496 | 11,498 | 3.42% | 617 | 15.39 |

Notes

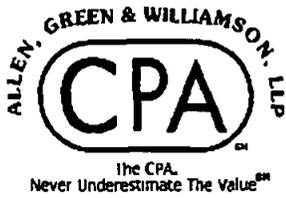
- (1) The teaching staff information is extracted from the agreed upon procedures report on performance and statistical data
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets
- (3) Enrollment is extracted from Table 14, Demographic and Economic Statistics, which does not include the Pre K enrollment
- (4) Teaching staff is extracted from Table 16, School Personnel

**Vernon Parish School Board
Leesville, Louisiana**

**Compliance with Single Audit Act Amendment of 1996
And Other Information
For the Year Ended June 30, 2012**

**Vernon Parish School Board
Table of Contents**

| | <u>Page</u> |
|---|-------------|
| Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u> | 5-6 |
| Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With <u>OMB Circular A-133</u> | 7-9 |
| Schedule of Expenditures of Federal Awards | 10-11 |
| Notes to the Schedule of Expenditures of Federal Awards | 12 |
| Schedule of Findings and Questioned Costs | 13-18 |
| OTHER INFORMATION | |
| Summary Schedule of Prior Year Audit Finding | 20-21 |
| Corrective Action Plan for Current Year Findings and Questioned Costs | 22-26 |
| Status of Prior Year Management Letter Item | 27 |
| Agreed-upon Procedures | |
| Independent Accountants' Report on Applying Agreed-upon Procedures | 28-31 |
| School Board prepared Performance and Statistical Data Schedules | 32-42 |



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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish School Board as of and for the year ended June 30, 2012, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

The management of the School Board is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of School Board's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as 12-F1 that we consider to be a significant deficiency. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 12-F1.

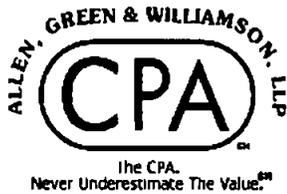
The School Board's response to the findings identified in our audit are described in the accompanying corrective action plan of current year audit findings.

This report is intended solely for the information and use of the Board, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 26, 2012



ALLEN, GREEN & WILLIAMSON, LLP

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Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Independent Auditors' Report

Board Members
Vernon Parish School Board
Leesville, Louisiana

Compliance

We have audited the Vernon Parish School Board's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2012. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as 12-F3, 12-F5 and 12-F6.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 12-F2, 12-F3, 12-F4, 12-F5 and 12-F6. *A significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2012, and have issued our report thereon dated December 26, 2012, which contained an *unqualified* opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the School Board's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

The School Board's response to the finding identified in our audit is described in the accompanying corrective action plan for current year findings and questioned costs. We did not audit the School Board's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the Board, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 26, 2012

**Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME | CFDA No | Pass-Through Grantor No | Expenditures |
|---|------------|---|-------------------|
| United States Department of Agriculture | | | |
| Passed Through Louisiana Department of Education | | | |
| Child Nutrition Cluster | | | |
| Cash Assistance | | | |
| School Breakfast Program | 10 553 | N/A | \$ 842,101 |
| National School Lunch Program | 10 555 | N/A | 2,373,799 |
| Non-Cash Assistance | | | |
| National School Lunch Program | 10 555 | N/A | <u>251,767</u> |
| Total Child Nutrition Cluster | | | 3,467,667 |
| Passed Through Louisiana Department of Treasury | | | |
| Schools and Roads - Grants to States (National Forest Lands) | 10 665 | N/A | <u>140,660</u> |
| Total United States Department of Agriculture | | | <u>3,608,327</u> |
| United States Department of Education | | | |
| Direct Programs | | | |
| Impact Aid - Maintenance and Operation | 84 041 | N/A | 10,030,372 |
| Passed Through Louisiana Community and Technical College System | | | |
| Adult Education - State-Administered | | | |
| Basic Grant Program | 84 002A | N/A | 79,265 |
| Passed Through Louisiana Department of Education | | | |
| Title I Cluster | | | |
| Basic Grant Program | 84 010A | 28-12-T1-58 | 2,496,015 |
| Title I Grants, Recovery Act | 84 389A | 28-09-A1-58 | <u>54,937</u> |
| Total Title I Cluster | | | 2,550,952 |
| Special Education Cluster | | | |
| State Grants - Part B | 84 027A | 28-11-JP-58 28-12-SE-58 28-12-B1-58 | 2,230,541 |
| State Grants - Part B, Recovery Act | 84 391A | 28-09-A1-58 | 389,922 |
| Preschool Grants | 84 173A | 28-12-PI-58 | 129,108 |
| Preschool Grants, Recovery Act | 84 392A | 28-09-AP-58 | <u>40,161</u> |
| Total Special Education Cluster | | | 2,789,732 |
| Vocational Education - Basic | | | |
| Grants to States | 84 048A | 28-11-02-58 28-12-02-58 | 127,096 |
| Improving Teacher Quality (Title II) | 84 367A | 28-12-50-58 | 382,955 |
| Title III - Immigration Set-aside | 84 365A | 28-12-60-58 | 11,349 |
| Education Jobs Fund-ARRA | 84 410A | 28-11-EI-58 28-11-EK-58 | 44,708 |
| Rural Education Achievement Program | 84 358B | 28-12-RE-58 | 197,774 |
| Indian Education | 84 060 | 5060A110623 | <u>28,637</u> |
| Total United States Department of Education | | | <u>16,242,840</u> |
| United States Department of Health and Human Services | | | |
| Direct Programs | | | |
| Head Start | 93 600 | 06CH5622/42 | 1,788,282 |

(Continued)

**Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME | CFDA No | Pass-Through Grantor No | Expenditures |
|---|------------|---|--|
| Passed Through Louisiana Department of Education | | | |
| Schools Putting Prevention to Work (SPPW)- ARRA | 93 723 | N/A | 8,500 |
| Temporary Assistance for Needy Families | 93 558 | 28-12-36-58 28-12-JC-58 28-12-JS-58 | <u>1,722,186</u> |
| Total United States Department of Health and Human Services | | | <u>3,518,968</u> |
| United States Department of Defense | | | |
| Direct Programs | | | |
| Department of The Army | | | |
| JROTC | 12 UKN | N/A | 85,824 |
| Competitive Grants Promoting K-12 Student Achievement | 12 556 | HE-1260-09-01-0015 | <u>709,161</u> |
| Total United States Department of Defense | | | <u>794,985</u> |
| TOTAL FEDERAL AWARDS | | | <u>\$ 24,165,120</u> (Concluded) |

Vernon Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Vernon Parish School Board, Leesville, Louisiana. The Vernon Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

| <u>Federal Sources</u> | <u>Amount</u> |
|------------------------|----------------------|
| General | \$ 10,256,856 |
| Non Major Funds | |
| Other Special Funds | 710,261 |
| Indian Education Grant | 28,637 |
| Adult Education | 79,265 |
| Vocational Education | 127,096 |
| Special Education | 2,554,895 |
| LA4 | 1,579,586 |
| School Food Service | 3,467,667 |
| JAG | 215,568 |
| Title I | 2,550,952 |
| Title II | 382,955 |
| Title III | 11,349 |
| Head Start | 1,788,282 |
| Preschool | 169,269 |
| REAP | 197,774 |
| Education Jobs | 44,708 |
| Total | <u>\$ 24,165,120</u> |

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i The type of audit report issued was unqualified
- ii There was one significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America The significant deficiency is not considered to be a material weakness
- iii There was one instance of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards

Audit of Federal Awards

- iv There were five significant deficiencies required to be disclosed by OMB Circular A-133 The significant deficiencies were not considered to be material weaknesses
- v The type of report the auditor issued on compliance of major federal awards was unqualified
- vi The audit disclosed five audit findings which the auditor is required to report under OMB Circular A-133, Section 510(a)
- vii The major federal awards are

Child Nutrition Cluster

- CFDA #10 553 School Breakfast Program
- CFDA #10 555 National School Lunch Program
- CFDA #10 555 National School Lunch Program- Commodities

Special Education Cluster

- CFDA #84 027A IDEA B
- CFDA #84 391A IDEA B ARRA
- CFDA #84 173A Preschool
- CFDA #84 392A Preschool ARRA

- CFDA #93 600 Head Start
- CFDA #12 556 Promoting K-12 Student Achievement

- viii The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section 520(b) was \$724,954
- ix The auditee qualifies as a low-risk auditee under OMB Circular A-133, Section 530

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **12-F1** **Misappropriations of Local Funds**

Entity-wide or program/department specific: This finding is specific to school activity funds

Criteria or specific requirement: The School Board has the ultimate responsibility of safe guarding all its assets, both at the school activity fund level and at the central office level. Internal controls must be in place to prevent the misuse or misappropriation of public funds. Strong and forceful measures must be taken by those responsible to ensure the internal control procedures are followed by all departments and locations within the School Board. Also, according to Louisiana Revised Statute 24:523, the School Board, who has actual knowledge of any misappropriation of public funds shall notify, in writing, the Legislative Auditor and District Attorney of the Parish.

Condition found: In February 2012, the central office administration was notified by one of the school principals that money was missing from the PTO account maintained within the school activity funds. Upon further investigation by the central office administration, the suspected employee confirmed the borrowing of funds and returned the borrowed amount to the Superintendent. The School Board did not notify the Legislative Auditor nor the District Attorney in writing when the incident occurred. The District Attorney, however, was contacted by phone to obtain guidance on the matter.

When an audit of the school activity funds was performed, after notification of the borrowed funds, it was determined that a test of cash receipts could not be adequately performed. This was primarily due to the lack of proper documentation for amounts received and deposited. It was also noted that inadequate control procedures were being utilized throughout the year with regard to school activity funds. Based on the lack of proper supporting documentation and financial records, it is unknown if any additional funds were missing from the school activity funds. It was also noted, in a review of disbursements, that the employee wrote a check to themselves without any supporting documentation.

Possible asserted effect (cause and effect):

Cause: There were insufficient internal controls noted over school activity funds, which allowed for the misappropriation of school activity funds. Also, the School Board was not aware that this incident was required to be reported to both the Louisiana Legislative Auditor and the District Attorney in writing.

Effect: Internal control over cash receipts is weakened at the school activity fund level and state compliance requirements were not met.

Recommendations to prevent future occurrences: The School Board should strengthen internal controls over school activity funds to ensure future misappropriation of funds is prevented and should also notify in writing both the Legislative Auditor and District Attorney of any known misappropriation of public funds in the future.

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012**

PART III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: 12-F2 Suspension and Debarment

Federal program and specific Federal award identification: This finding relates to the Special Education Cluster State Grants-Part B, CFDA #84 027A, Preschool Grants, CFDA #84.173A, State Grants-Part B Recovery, CFDA #84.391A and Preschool Grants Recovery, CFDA #84 392A received from Federal Agency U S Department of Education passed through the Louisiana Department of Education for the award year 2012

Criteria or specific requirement: Federal regulation 2 CFR Part 180 requires that entities receiving federal funds must verify that the entity in which it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds

Condition found: The School Board could not provide documentation reflecting that either the contract contained a certification from the vendor stating that they were not suspended or debarred from receiving federal funds or that the School Board searched the vendor exceeding \$25,000 in payments on the excluded parties list system to ensure that payments were not made to vendors who are either suspended or debarred for five of the six vendors that were paid greater than \$25,000 during the fiscal year However, it was determined by the auditor, that the vendors in question were not listed on the suspension and debarment listing

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause

Effect: The Special Education programs are not following the federal guidelines related to suspension and debarment

Recommendations to prevent future occurrences: The Special Education programs should implement controls to ensure compliance with the suspension and debarment requirements Verification checks should be performed by accessing the EPLS/SAM website to ascertain if each vendor is under either suspension or debarment

Reference # and title: 12-F3 Schoolwide Programs

Federal program and specific Federal award identification: This finding relates to the Special Education Cluster State Grants-Part B, CFDA #84 027A, Preschool Grants, CFDA #84 173A, State Grants-Part B Recovery, CFDA #84 391A and Preschool Grants Recovery, CFDA #84 392A received from Federal Agency U S Department of Education passed through the Louisiana Department of Education for the award year 2012

Criteria or specific requirement: According to 34 CFR 200 26-200 28, schools participating in schoolwide programs should have a school wide plan which addresses the following core elements and components

- Comprehensive needs assessment of the entire school
- Comprehensive plan based on data from the needs assessment
- Annual evaluation of the results achieved by the schoolwide program and revisions of the schoolwide plan based on that evaluation
- Schoolwide reform strategies
- Instruction by highly qualified professional staff

Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012

PART III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

- Strategies to increase parental involvement
- Additional support to students experiencing difficulty
- Transition plans for assisting preschool children in the successful transition to the schoolwide program

Additionally the school should maintain records of the comprehensive needs assessment of the entire school and an annual evaluation of results achieved. Finally, the school wide improvement plan should be complete and accurate.

Condition found: In reviewing schoolwide plans for three schools, it was noted that all three plans did not include every required element and component. Two of the plans did not specifically address instruction by highly qualified staff. The highly qualified instruction was not specifically addressed in the plans, but it is addressed through the District Wide Plan, which should have been referenced in the schoolwide plan for each school. One plan did not specifically address highly qualified instruction, additional support for students experiencing difficulties, or transition plans for preschool students.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: The Special Education programs are not following the federal guidelines on special tests and provisions related to schoolwide plans.

Recommendations to prevent future occurrences: The Special Education programs should implement controls to ensure compliance with schoolwide plans. Reviews should be performed to ensure that each schoolwide plan includes all required elements and components.

Reference # and title: **12-F4** **Inadequate Controls Over Head Start**

Federal program and specific Federal award identification: This finding relates to Head Start Cluster Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012.

Criteria or specific requirement: Good internal controls over federal program compliance requires that accurate and complete records be maintained by the School Board regarding expenses charged, enrollment information, eligibility statuses of students, and administrative expenses. Good internal controls also require that procedures are implemented to ensure the accuracy of calculations performed by the School Board.

Condition found: When testing federal compliance requirements for the Head Start Cluster, the following items were noted:

- When performing a review of the general ledger history, it was noted that the PSB is not always charging expenses to the grant in accordance Louisiana Accounting and Uniform Governmental Handbook (LAUGH) requirements. There were multiple instances noted where the School Board was incorrectly charging expenses as miscellaneous instead of the proper expense code.
- When reviewing the School Board's calculation of total administrative costs, there were two expenses noted that were not included in the calculation yet were charged to the grant. Although including these expenses

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012**

PART III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

did not cause the School Board to exceed the required maximum, the School Board did not properly identify all administrative costs when performing the calculation

- When testing the eligibility calculations performed for a sample of 40 students, there was one instance noted where the School Board incorrectly calculated income eligibility for a student. However, this error did not change the eligibility status of this student
- When testing the completeness of the listing of 100%-130% income eligible students provided by the School Board, there were four exceptions noted where students were improperly excluded from the listing. When testing the completeness of the over-income listing provided by the School Board, there was one exception where a student was improperly excluded from the listing
- When testing a sample of three months of enrollment reports submitted by School Board, there was one exception noted where the enrollment count submitted was incorrect

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause

Effect: The internal controls over the Head Start programs are weakened

Recommendations to prevent future occurrences: The Head Start programs should implement controls to ensure expenses are properly recorded and that all eligibility status listings are accurate and complete. The Head Start programs should also implement controls to ensure that all calculations performed are accurate and complete

Reference # and title: **12-F5** **Matching, Level of Effort, and Earmarking**

Federal program and specific Federal award identification: This finding relates to Head start Cluster Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012

Criteria or specific requirement: Beginning in fiscal year 2009, the Head Start program is required to ensure that not less than 10% of the total number of children actually enrolled in the program be children with disabilities determined to be eligible for special education and related services unless a waiver has been approved by ACF (42 USC 9835(d))

Condition found: The required minimum number of children with disabilities required to be included in the Head Start program in the current year was 27, based on average enrollment for the year. The total number of children with disabilities noted within the program in the current year was 17, resulting in a shortage of 10 students

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause

Effect: The targeted earmarking compliance requirement for this program was not met for the current year

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2012**

PART III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Recommendations to prevent future occurrences: The Head Start programs should establish procedures to ensure that earmarking requirements are met each year.

Reference # and title: **12-F6** **Activities Allowed or Unallowed**

Federal program and specific Federal award identification: This finding relates to Head start Cluster: Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012

Criteria or specific requirement: When accepting the grant award for the Head Start grant, the School Board agrees to follow the specific provisions of the grant award as specified by the federal awarding agency As such, the School Board is required to expend the funding in compliance with the requirements noted in the grant award letter

Condition found: During the fiscal year, the School Board was sent an amended notice of award for the Head Start programs, which provided the School Board with an additional amount of \$44,743 This amended notice of award included special conditions attached to the award which specified how the funding was required to be spent When reviewing the Head Start program expenditures for the year, it was noted that the School Board did not expend the full amount on repairs and maintenance of playground equipment that was required to be expended as specified in the amended notice of award

Computation of Questioned Costs: The School Board was required to spend \$25,000 of the grant award on repairs and maintenance of playground equipment during the fiscal year However, the School Board was only able to show that a total of \$4,250 was expended for this purpose The questioned cost is \$20,750

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause

Effect: The School Board incorrectly expended Head Start funding during the year

Recommendations to prevent future occurrences: The Head Start programs should establish procedures to ensure that grant funding is expended in compliance with the terms of the grant award

Vernon Parish School Board

OTHER INFORMATION

**Vernon Parish School Board
Summary Schedule of Prior Year Audit Findings
As of and For the Year Ended June 30, 2012**

Reference # and title: **11-F1** **Head Start Eligibility**

Origination Date: This finding originated fiscal year ended June 30, 2011

Federal program and specific Federal award identification: This finding relates to Head start Cluster Head Start program, CFDA #93 600 and Head Start, Recovery Act, CFDA #93 708 from Federal Agency United States Department of Health and Human Services for award year 2011

Condition: According to 45 CFR 1305 4, at least 90% of the children enrolled in the Head Start program must be from low-income families Other families may be considered if their income is within 130% of the poverty level In order to verify the family income, documentation must be provided in the form of W2's, pay stubs, pay envelopes, etc Calculations must be performed of the income documentation, which is based upon a period other than annual income, to determine if the child is considered low-income

A sample of forty children was chosen to determine the eligibility or denial based upon income calculations There were two instances where the income was calculated incorrectly The family members were paid on a bi-weekly basis but the calculations used were on a bi-monthly basis, resulting in two pay periods not being included in the annual income This caused one child not being reported as "above income" correctly, whereas the second instance did not affect the eligibility status

Corrective action taken: There was guidance and training given to all Head Start employees on how to calculate family income to verify that annual income is reported correctly and the correct pay cycle was recorded on the verification that is used This finding is considered cleared

Reference # and title: **11-F2** **Suspension and Debarment**

Origination Date: This finding originated fiscal year ended June 30, 2011

Entity-Wide or program/department specific: This finding relates to the Promoting K-12 Student Achievement program, CFDA #12 556 received from Federal Agency U S Department of Defense for the award 2011

Condition: Federal regulation 2 CFR Part 180 requires that entities receiving federal funds must verify that the entity in which it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds

The School Board could not provide documentation reflecting that either the contract contained a certification from the vendor stating that they were not suspended or debarred from receiving federal funds or that the School Board searched the vendor exceeding \$25,000 in payments on the excluded parties list system to ensure that payments were not made to vendors who are either suspended or debarred

Corrective action planned: The personnel over this federal program was made aware of the suspension and debarment requirement and procedures established to ensure the EPLS website is used to determine if a vendor is under suspension or debarment This finding was cleared for the Promoting K-12 Student Achievement program, however, it was reported on another federal program as a current year finding See current year findings 12-F2

**Vernon Parish School Board
Summary Schedule of Prior Year Audit Findings
As of and For the Year Ended June 30, 2012**

Reference # and title: **11-F3** **Schoolwide Programs**

Origination Date: This finding originated fiscal year ended June 30, 2011

Federal program and specific Federal award identification: This finding relates to the Special Education Cluster State Grants-Part B, CFDA #84 027A, Preschool Grants, CFDA #84 173A, State Grants-Part B Recovery, CFDA #84 391A and Preschool Grants Recovery, CFDA #84 392A received from Federal Agency U S Department of Education passed through the Louisiana Department of Education for the award year 2011

Condition: According to 34 CFR 200 26-200 28, schools participating in schoolwide programs should have a school wide plan which addresses the following core elements and components

- Comprehensive needs assessment of the entire school
- Comprehensive plan based on data from the needs assessment
- Annual evaluation of the results achieved by the schoolwide program and revisions of the schoolwide plan based on that evaluation
- Schoolwide reform strategies
- Instruction by highly qualified professional staff
- Strategies to increase parental involvement
- Additional support to students experiencing difficulty
- Transition plans for assisting preschool children in the successful transition to the schoolwide program

Additionally the school should maintain records of the comprehensive needs assessment of the entire school and an annual evaluation of results achieved Finally, the school wide improvement plan should be complete and accurate

In reviewing schoolwide plans for three schools it was noted that all three plans did not include every required element and component Two of the plans did not specifically address transition plans for preschool students or instruction by highly qualified staff The highly qualified instruction was not specifically addressed in the plans, but it is addressed through the District Wide Plan The District Wide Plan should have been referenced in the schoolwide plan for highly qualified instruction One plan did not specifically address parental involvement, highly qualified instruction or additional support to students experiencing difficulties

Corrective action planned: See current year finding 12-F3

**Vernon Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2012**

Reference # and title: **12-F1** **Misappropriation of Local Funds**

Entity-wide or program/department specific: This finding is specific to school activity funds

Condition: The School Board has the ultimate responsibility of safe guarding all its assets, both at the school activity fund level and at the central office level. Internal controls must be in place to prevent the misuse or misappropriation of public funds. Strong and forceful measures must be taken by those responsible to ensure the internal control procedures are followed by all departments and locations within the School Board. Also, according to Louisiana Revised Statute 24:523, the School Board, who has actual knowledge of any misappropriation of public funds shall notify, in writing, the Legislative Auditor and District Attorney of the Parish.

In February 2012, the central office administration was notified by one of the school principals that money was missing from the PTO account maintained within the school activity funds. Upon further investigation by the central office administration, the suspected employee confirmed the borrowing of funds and returned the borrowed amount to the Superintendent. The School Board did not notify the Legislative Auditor nor the District Attorney when the incident occurred. The District Attorney, however, was contacted by phone to obtain guidance on the matter.

When an audit of the school activity funds was performed, after notification of the borrowed funds, it was determined that a test of cash receipts could not be adequately performed. This was primarily due to the lack of proper documentation for amounts received and deposited. It was also noted that inadequate control procedures were being utilized throughout the year with regard to school activity funds. Based on the lack of proper supporting documentation and financial records, it is unknown if any additional funds were missing from the school activity funds. It was also noted, in a review of disbursements, that the employee wrote a check to themselves without any supporting documentation.

Corrective action planned: The secretary was removed from the position. The Legislative Auditor will be notified in writing if there are future occurrences. New bookkeeper training has occurred and more frequent checks/audits will be performed from the Vernon Parish School Board personnel. We have strengthened and developed procedures regarding internal controls at the school level.

Contact person responsible for corrective action:

| | |
|--------------------------------|------------------------|
| Mr Jackie Self, Superintendant | Telephone 337-239-3401 |
| 201 Belview Road | Fax 337-238-5777 |
| Leesville, LA 71446 | |

Anticipated completion date: February 1, 2013

Reference # and title: **12-F2** **Suspension and Debarment**

Federal program and specific Federal award identification: This finding relates to the Special Education Cluster State Grants-Part B, CFDA #84 027A, Preschool Grants, CFDA #84 173A, State Grants-Part B Recovery, CFDA #84 391A and Preschool Grants Recovery, CFDA #84 392A received from Federal Agency U S Department of Education passed through the Louisiana Department of Education for the award year 2012.

Condition: Federal regulation 2 CFR Part 180 requires that entities receiving federal funds must verify that the entity in which it expects to spend \$25,000 or more for goods and services is not suspended or debarred or otherwise excluded from receiving federal funds.

**Vernon Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2012**

The School Board could not provide documentation reflecting that either the contract contained a certification from the vendor stating that they were not suspended or debarred from receiving federal funds or that the School Board searched the vendor exceeding \$25,000 in payments on the excluded parties list system to ensure that payments were not made to vendors who are either suspended or debarred for five of the six vendors that were paid greater than \$25,000 during the fiscal year. However, it was determined by the auditor that the vendors in question were not listed on the suspension and debarment listing.

Corrective action planned: The Special Education Department will be more thorough on their verification checks and have the proper back-up support to show compliance with the suspension and debarment requirements.

Contact person responsible for corrective action:

| | |
|--------------------------------|------------------------|
| Mr Jackie Self, Superintendent | Telephone 337-239-3401 |
| 201 Belview Road | Fax 337-238-5777 |
| Leesville, LA 71446 | |

Anticipated completion date: December 1, 2012

Reference # and title: **12-F3** **Schoolwide Programs**

Federal program and specific Federal award identification: This finding relates to the Special Education Cluster State Grants-Part B, CFDA #84 027A, Preschool Grants, CFDA #84 173A, State Grants-Part B Recovery, CFDA #84 391A and Preschool Grants Recovery, CFDA #84 392A received from Federal Agency U S Department of Education passed through the Louisiana Department of Education for the award year 2012.

Condition: According to 34 CFR 200.26-200.28, schools participating in schoolwide programs should have a school wide plan which addresses the following core elements and components:

- Comprehensive needs assessment of the entire school
- Comprehensive plan based on data from the needs assessment
- Annual evaluation of the results achieved by the schoolwide program and revisions of the schoolwide plan based on that evaluation
- Schoolwide reform strategies
- Instruction by highly qualified professional staff
- Strategies to increase parental involvement
- Additional support to students experiencing difficulty
- Transition plans for assisting preschool children in the successful transition to the schoolwide program

Additionally the school should maintain records of the comprehensive needs assessment of the entire school and an annual evaluation of results achieved. Finally, the school wide improvement plan should be complete and accurate.

In reviewing schoolwide plans for three schools it was noted that all three plans did not include every required element and component. Two of the plans did not specifically address instruction by highly qualified staff. The highly qualified instruction was not specifically addressed in the plans, but it is addressed through the District Wide Plan, which should have been referenced in the schoolwide plan for each school. One plan did not specifically address highly qualified instruction, additional support for students experiencing difficulties, or transition plans for preschool students.

**Vernon Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2012**

Corrective action planned: The Special Education Program will follow all guidelines concerning school-wide plans to make sure they contain all required elements and components

Contact person responsible for corrective action:

Mr. Jackie Self, Superintendent Telephone 337-239-3401
201 Belview Road Fax 337-238-5777
Leesville, LA 71446

Anticipated completion date: February 1, 2013

Reference # and title: **12-F4** **Inadequate Controls Over Head Start**

Federal program and specific Federal award identification: This finding relates to Head start Cluster Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012

Condition: Good internal controls over federal program compliance requires that accurate and complete records be maintained by the School Board regarding expenses charged, enrollment information, eligibility statuses of students, and administrative expenses Good internal controls also require that procedures are implemented to ensure the accuracy of calculations performed by the School Board

When testing federal compliance requirements for the Head Start Cluster, the following items were noted

- When performing a review of the general ledger history, it was noted that the PSB is not always charging expenses to the grant in accordance Louisiana Accounting and Uniform Governmental Handbook (LAUGH) requirements There were multiple instances noted where the School Board was incorrectly charging expenses as miscellaneous instead of the proper expense code
- When reviewing the School Board's calculation of total administrative costs, there were two expenses noted that were not included in the calculation yet were charged to the grant Although including these expenses did not cause the School Board to exceed the required maximum, the School Board did not properly identify all administrative costs when performing the calculation
- When testing the eligibility calculations performed for a sample of 40 students, there was one instance noted where the School Board incorrectly calculated income eligibility for a student However, this error did not change the eligibility status of this student
- When testing the completeness of the listing of 100%-130% income eligible students provided by the School Board, there were four exceptions noted where students were improperly excluded from the listing When testing the completeness of the over-income listing provided by the School Board, there was one exception where a student was improperly excluded from the listing
- When testing a sample of three months of enrollment reports submitted by School Board, there was one exception noted where the enrollment count submitted was incorrect

Corrective action planned: The Head Start Program will implement procedures to make sure accurate information is generated All expenses will be recorded properly and all calculations will be performed accurately

**Vernon Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2012**

Contact person responsible for corrective action:

Mr Jackie Self, Superintendent Telephone 337-239-3401
201 Belview Road Fax 337-238-5777
Leesville, LA 71446

Anticipated completion date: January 1, 2013

Reference # and title: **12-F5** **Matching, Level of Effort, and Earmarking**

Federal program and specific Federal award identification: This finding relates to Head start Cluster Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012

Condition: Beginning in fiscal year 2009, the Head Start program is required to ensure that not less than 10% of the total number of children actually enrolled in the program be children with disabilities determined to be eligible for special education and related services unless a waiver has been approved by ACF (42 USC 9835(d))

The required minimum number of children with disabilities required to be included in the Head Start program in the current year was 27, based on average enrollment for the year The total number of children with disabilities noted within the program in the current year was 17, resulting in a shortage of 10 students

Corrective action planned: The Head Start Program will implement procedures to ensure that all earmarking requirements are met

Contact person responsible for corrective action:

Mr Jackie Self, Superintendent Telephone 337-239-3401
201 Belview Road Fax 337-238-5777
Leesville, LA 71446

Anticipated completion date: October 1, 2012

Reference # and title: **12-F6** **Activities Allowed or Unallowed**

Federal program and specific Federal award identification: This finding relates to Head start Cluster Head Start program, CFDA #93 600 from Federal Agency United States Department of Health and Human Services for award year 2012

Condition: When accepting the grant award for the Head Start grant, the School Board agrees to follow the specific provisions of the grant award as specified by the federal awarding agency As such, the School Board is required to expend the funding in compliance with the requirements noted in the grant award letter

During the fiscal year, the School Board was sent an amended notice of award for the Head Start programs, which provided the School Board with an additional amount of \$44,743 This amended notice of award included special conditions attached to the award which specified how the funding was required to be spent When reviewing the Head Start program expenditures for the year, it was noted that the School Board did not expend the full amount on repairs and maintenance of playground equipment that was required to be expended as specified in the amended notice of award

**Vernon Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2012**

Corrective action planned: The Head Start Program will follow procedures to make sure all grant funding is expended in compliance with the terms of the grant award

Contact person responsible for corrective action:

| | |
|--------------------------------|------------------------|
| Mr Jackie Self, Superintendent | Telephone 337-239-3401 |
| 201 Belview Road | Fax 337-238-5777 |
| Leesville, LA 71446 | |

Anticipated completion date: October 1, 2012

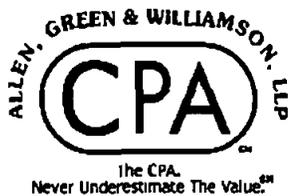
**Vernon Parish School Board
Status of Prior Year Management Letter Item
As of and For the Year Ended June 30, 2012**

11-M1

Mileage Reimbursements

Comment: While testing 10 travel reimbursements it was noted that on two of the reimbursements the wrong mileage rate was being used

Management's response: All travel reimbursement will be reviewed for accurate data and rates before being approved for reimbursement This item was considered cleared



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Vernon Parish School Board, Leesville, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1 We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

Total General Fund Instructional Expenditures,
Total General Fund Equipment Expenditures,
Total Local Taxation Revenue,
Total Local Earnings on Investment in Real Property,
Total State Revenue in Lieu of Taxes,
Nonpublic Textbook Revenue, and
Nonpublic Transportation Revenue

Comment: No exceptions were noted as result of applying agreed upon procedures

Education Levels of Public School Staff (Schedule 2)

- 2 We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st

Comment: No exceptions were noted as result of applying agreed upon procedures

- 3 We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule

Comment: No exceptions were noted as result of applying agreed upon procedures

Number and Type of Public Schools (Schedule 3)

- 5 We obtained a list of schools by type as reported on the schedule We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84 010) application and/or the National School Lunch Program (CFDA 10 555)

Comment: No exceptions were noted as result of applying agreed upon procedures

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

- 6 We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule

Comment: No exceptions were noted as result of applying agreed upon procedures

Public Staff Data (Schedule 5)

- 7 We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule

Comment: No exceptions were noted as result of applying agreed upon procedures

- 8 We recalculated the average salaries and full-time equivalents reported in the schedule

Comment: No exceptions were noted as result of applying agreed upon procedures

Class Size Characteristics (Schedule 6)

- 9 We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5 We then traced a random sample of ten classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule

Comment: Three exceptions were noted as result of applying agreed upon procedures in which the roll books showed more students in the class than what was noted on the SIS Report

Management's Response: The roll books show three more students because they are special education students that report to the particular homeroom but have a different schedule than the rest of the class These students are listed on a different SIS report than the one provided

Louisiana Educational Assessment Program (LEAP) for the 21st century (Schedule 7)

- 10 We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board

Comment: No exceptions were noted as result of applying agreed upon procedures

The Graduation Exit Exam for the 21st Century (Schedule 8)

- 11 We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board

Comment: No exceptions were noted as result of applying agreed upon procedures

The Iowa Tests (Schedule 9)

- 12 We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board

Comment: No exceptions were noted as result of applying agreed upon procedures

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions Accordingly, we do not express such an opinion Had we performed additional procedures, other matters might have come to our attention that would have been reported to you

This report is intended solely for the use of management of the Vernon Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24 513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

January 14, 2013

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2012**

| | Column A | Column B |
|---|----------------|-------------------|
| <u>General Fund Instructional and Equipment Expenditures</u> | | |
| General Fund Instructional Expenditures | | |
| Teacher and Student Interaction Activities | | |
| Classroom Teacher Salaries | \$ 28,565,982 | |
| Other Instructional Staff Activities | 3,162,980 | |
| Instructional Staff Employee Benefits | 13,292,881 | |
| Purchased Professional and Technical Services | 136,269 | |
| Instructional Materials and Supplies | 1,776,423 | |
| Instructional Equipment | 0 | |
| Total Teacher and Student Interaction Activities | <u>0</u> | \$ 46,934,535 |
| Other Instructional Activities | | |
| Pupil Support Services | | |
| Less Equipment for Pupil Support Services | 4,276,292 | |
| Net Pupil Support Services | <u>0</u> | 4,276,292 |
| Instructional Staff Services | | |
| Less Equipment for Instructional Staff Services | 3,025,036 | |
| Net Instructional Staff Services | <u>0</u> | 3,025,036 |
| School Administration | | |
| Less Equipment for School Administration | 5,830,290 | |
| Net School Administration | <u>(6,630)</u> | <u>5,823,660</u> |
| Total General Fund Instructional Expenditures (Total of Column B) | | <u>60,059,523</u> |
| Total General Fund Equipment Expenditures (Object 730, Function Series 1000-4000) | | <u>11,883</u> |
| <u>Certain Local Revenue Sources</u> | | |
| Local Taxation Revenue | | |
| Constitutional Ad Valorem Taxes | | 492,458 |
| Renewable Ad Valorem Tax | | 2,752,157 |
| Debt Service Ad Valorem Tax | | 3,805,548 |
| Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes | | 159,998 |
| Sales and Use Taxes | | <u>12,246,187</u> |
| Total Local Taxation Revenue | | <u>19,456,348</u> |
| Local Earnings on Investment in Real Property | | |
| Earnings from 16th Section Property | | 0 |
| Earnings from Other Real Property | | <u>1,172</u> |
| Total Local Earnings on Investment in Real Property | | <u>1,172</u> |
| State Revenue in Lieu of Taxes | | |
| Revenue Sharing - Constitutional Tax | | 42,385 |
| Revenue Sharing - Other Taxes | | 237,023 |
| Revenue Sharing - Excess Portion | | 0 |
| Other Revenue in Lieu of Taxes | | <u>0</u> |
| Total State Revenue in Lieu of Taxes | | <u>279,408</u> |
| Nonpublic Textbook Revenue | | <u>2,362</u> |
| Nonpublic Transportation Revenue | | <u>0</u> |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Education Levels of Public School Staff
As of October 1, 2011

| Category | Full-time Classroom Teachers | | | | Principals & Assistant Principals | | | |
|-------------------------------|------------------------------|---------------|----------------|--------------|-----------------------------------|-------------|----------------|----------|
| | Certificated | | Uncertificated | | Certificated | | Uncertificated | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than a Bachelor's Degree | 0 | 0 | 3 02 | 0 442 | 0 | 0 | 0 | 0 |
| Bachelor's Degree | 482 93 | 70 606 | 18 | 2 632 | 0 | 0 | 0 | 0 |
| Master's Degree | 110 03 | 16 087 | 5 | 0 731 | 20 97 | 3 066 | 0 | 0 |
| Master's Degree + 30 | 23 02 | 3 366 | 0 | 0 | 19 | 2 7788 | 0 | 0 |
| Specialist in Education | 1 | 0 146 | 0 | 0 | 1 | 0 146 | 0 | 0 |
| Ph D or Ed D | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 616 98 | 90 205 | 26 02 | 3 805 | 40 97 | 5 99 | 0 | 0 |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana**Number and Type of Public Schools**
For the Year Ended June 30, 2012

| Type | Number |
|----------------|---------------|
| Elementary | 8 |
| Middle/Jr High | 1 |
| Secondary | 5 |
| Combination | 5 |
| Total | 19 |

Note Schools opened or closed during the fiscal year are included in this schedule

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2011

| | 0-1 Yr | 2-3 Yrs | 4-10 Yrs | 11-14 Yrs | 15-19 Yrs | 20-24 Yrs | 25+ Yrs | Total |
|---------------------|--------|---------|----------|-----------|-----------|-----------|---------|--------|
| Assistant Pnncipals | 0 | 0 | 2 | 4 | 4 98 | 3 | 5 99 | 19 97 |
| Pnncipals | 0 | 0 | 0 | 0 | 3 | 5 | 13 | 21 |
| Classroom Teachers | 52 | 56 2 | 166 93 | 103 01 | 87 02 | 71 01 | 107 01 | 643 |
| Total | 52 | 56 2 | 168 93 | 107 01 | 95 | 79 01 | 126 | 683 97 |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2012

| | All Classroom Teachers | Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions |
|---|-----------------------------------|---|
| Average Classroom Teachers' Salary Including Extra Compensation | 47,942 | 47,455 |
| Average Classroom Teachers' Salary Excluding Extra Compensation | 47,246 | 46,813 |
| Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries | 664 3729 | 627 5228 |

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers, some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave), and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Class Size Characteristics
As of October 1, 2011

| School Type | Class Size Range | | | | | | | |
|---------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|
| | 1 - 20 | | 21 - 26 | | 27 - 33 | | 34+ | |
| | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary | 38.09 | 470 | 45.62 | 563 | 16.21 | 200 | 0.08 | 1 |
| Elementary Activity Classes | 11.89 | 27 | 62.11 | 141 | 21.59 | 49 | 4.41 | 10 |
| Middle/Jr High | 57.39 | 101 | 20.45 | 36 | 22.16 | 39 | 0 | 0 |
| Middle/Jr High Activity Classes | 79.55 | 35 | 18.18 | 8 | 2.27 | 1 | 0 | 0 |
| High | 63.36 | 670 | 23.91 | 253 | 12.48 | 132 | 0.28 | 3 |
| High Activity Classes | 93.16 | 218 | 5.13 | 12 | 1.71 | 4 | 0 | 0 |
| Combination | 77.18 | 673 | 15.25 | 133 | 6.88 | 60 | 0.69 | 6 |
| Combination Activity Classes | 78.15 | 118 | 9.27 | 14 | 11.26 | 17 | 1.32 | 2 |

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2012

| District Achievement Level Results | English Language Arts | | | | | | Mathematics | | | | | |
|------------------------------------|-----------------------|---------|------------|---------|------------|---------|-------------|---------|------------|---------|------------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 4 | | | | | | | | | | | | |
| Advanced | 48 | 6% | 54 | 7% | 58 | 8% | 84 | 11% | 101 | 13% | 78 | 10% |
| Mastery | 199 | 26% | 207 | 26% | 177 | 23% | 223 | 29% | 205 | 26% | 199 | 26% |
| Basic | 400 | 52% | 383 | 49% | 378 | 48% | 351 | 45% | 355 | 45% | 360 | 47% |
| Approaching Basic | 99 | 13% | 105 | 13% | 111 | 14% | 77 | 10% | 95 | 12% | 87 | 11% |
| Unsatisfactory | 29 | 4% | 36 | 5% | 49 | 6% | 38 | 5% | 29 | 4% | 50 | 6% |
| Total | 773 | | 785 | | 773 | | 773 | | 785 | | 774 | |

| District Achievement Level Results | Science | | | | | | Social Studies | | | | | |
|------------------------------------|------------|---------|------------|---------|------------|---------|----------------|---------|------------|---------|------------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 4 | | | | | | | | | | | | |
| Advanced | 91 | 12% | 35 | 4% | 35 | 4% | 23 | 3% | 44 | 6% | 23 | 3% |
| Mastery | 182 | 24% | 151 | 19% | 177 | 23% | 172 | 22% | 148 | 19% | 177 | 23% |
| Basic | 342 | 45% | 448 | 57% | 407 | 52% | 439 | 57% | 464 | 59% | 458 | 58% |
| Approaching Basic | 131 | 17% | 133 | 17% | 141 | 18% | 91 | 12% | 100 | 13% | 99 | 13% |
| Unsatisfactory | 22 | 3% | 20 | 3% | 23 | 3% | 42 | 5% | 29 | 4% | 26 | 3% |
| Total | 768 | | 785 | | 783 | | 767 | | 785 | | 783 | |

| District Achievement Level Results | English Language Arts | | | | | | Mathematics | | | | | |
|------------------------------------|-----------------------|---------|------------|---------|------------|---------|-------------|---------|------------|---------|------------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 8 | | | | | | | | | | | | |
| Advanced | 36 | 5% | 54 | 8% | 29 | 4% | 41 | 6% | 47 | 7% | 43 | 6% |
| Mastery | 158 | 22% | 170 | 26% | 124 | 18% | 51 | 7% | 52 | 8% | 54 | 8% |
| Basic | 353 | 50% | 302 | 46% | 321 | 48% | 451 | 63% | 397 | 60% | 379 | 57% |
| Approaching Basic | 144 | 20% | 111 | 17% | 159 | 24% | 125 | 18% | 118 | 18% | 132 | 20% |
| Unsatisfactory | 22 | 3% | 24 | 4% | 38 | 6% | 45 | 6% | 47 | 7% | 62 | 9% |
| Total | 713 | | 661 | | 671 | | 713 | | 661 | | 670 | |

| District Achievement Level Results | Science | | | | | | Social Studies | | | | | |
|------------------------------------|------------|---------|------------|---------|------------|---------|----------------|---------|------------|---------|------------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 8 | | | | | | | | | | | | |
| Advanced | 57 | 8% | 25 | 4% | 15 | 2% | 39 | 5% | 33 | 5% | 13 | 2% |
| Mastery | 216 | 30% | 220 | 33% | 123 | 18% | 181 | 25% | 153 | 23% | 122 | 18% |
| Basic | 292 | 41% | 268 | 41% | 342 | 50% | 386 | 54% | 347 | 53% | 380 | 55% |
| Approaching Basic | 125 | 18% | 113 | 17% | 164 | 24% | 72 | 10% | 88 | 13% | 106 | 15% |
| Unsatisfactory | 20 | 3% | 31 | 5% | 42 | 6% | 32 | 5% | 34 | 5% | 65 | 9% |
| Total | 710 | | 667 | | 686 | | 710 | | 655 | | 686 | |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2012

| District Achievement Level Results | English Language Arts | | | | | | Mathematics | | | | | |
|------------------------------------|-----------------------|---------|--------|---------|--------|---------|-------------|---------|--------|---------|--------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 10 | | | | | | | | | | | | |
| Advanced | | | 4 | 1 | 3 | 1 | | | 51 | 9 | 54 | 9 |
| Mastery | | | 65 | 12 | 100 | 17 | | | 111 | 20 | 109 | 19 |
| Basic | | | 285 | 52 | 292 | 51 | | | 243 | 45 | 261 | 46 |
| Approaching Basic | | | 132 | 24 | 123 | 22 | | | 79 | 14 | 87 | 15 |
| Unsatisfactory | | | 60 | 11 | 54 | 9 | | | 62 | 11 | 60 | 11 |
| Total | | | 546 | | 572 | | | | 546 | | 571 | |

39

| District Achievement Level Results | Science | | | | | | Social Studies | | | | | |
|------------------------------------|---------|---------|--------|---------|--------|---------|----------------|---------|--------|---------|--------|---------|
| | 2012 | | 2011 | | 2010 | | 2012 | | 2011 | | 2010 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 11 | | | | | | | | | | | | |
| Advanced | 47 | 10 | 24 | 5 | 27 | 6 | 12 | 2 | 4 | 1 | 2 | 1 |
| Mastery | 117 | 24 | 101 | 21 | 86 | 19 | 66 | 14 | 50 | 10 | 46 | 10 |
| Basic | 213 | 43 | 216 | 44 | 217 | 49 | 286 | 58 | 310 | 66 | 298 | 66 |
| Approaching Basic | 81 | 16 | 101 | 21 | 86 | 19 | 89 | 18 | 79 | 14 | 62 | 14 |
| Unsatisfactory | 34 | 7 | 46 | 9 | 30 | 7 | 37 | 8 | 45 | 9 | 38 | 9 |
| Total | 492 | | 488 | | 446 | | 492 | | 488 | | 446 | |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

IOWA and iLEAP Tests
For the Year Ended June 30, 2012

| District Achievement Level Results | English Language Arts 2010 | | Mathematics 2010 | | Science 2010 | | Social Studies 2010 | |
|---------------------------------------|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 3 | | | | | | | | |
| Advanced | 52 | 7 | 93 | 12 | 42 | 5 | 21 | 3 |
| Mastery | 218 | 28 | 186 | 24 | 181 | 23 | 157 | 20 |
| Basic | 359 | 46 | 328 | 42 | 374 | 48 | 422 | 54 |
| Approaching Basic | 107 | 14 | 120 | 15 | 153 | 20 | 128 | 16 |
| Unsatisfactory | 42 | 5 | 51 | 7 | 27 | 3 | 49 | 6 |
| Total | 778 | | 778 | | 777 | | 777 | |

| District Achievement Level Results | English Language Arts 2010 | | Mathematics 2010 | | Science 2010 | | Social Studies 2010 | |
|---------------------------------------|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 5 | | | | | | | | |
| Advanced | 46 | 6 | 66 | 9 | 34 | 5 | 51 | 7 |
| Mastery | 196 | 26 | 133 | 18 | 162 | 22 | 157 | 21 |
| Basic | 327 | 44 | 393 | 53 | 371 | 50 | 419 | 56 |
| Approaching Basic | 136 | 18 | 85 | 11 | 160 | 22 | 78 | 10 |
| Unsatisfactory | 37 | 5 | 68 | 9 | 16 | 2 | 38 | 5 |
| Total | 742 | | 745 | | 743 | | 743 | |

| District Achievement Level Results | English Language Arts 2010 | | Mathematics 2010 | | Science 2010 | | Social Studies 2010 | |
|---------------------------------------|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 6 | | | | | | | | |
| Advanced | 62 | 9 | 48 | 7 | 42 | 6 | 114 | 16 |
| Mastery | 188 | 27 | 160 | 23 | 186 | 26 | 146 | 21 |
| Basic | 360 | 51 | 398 | 56 | 335 | 48 | 350 | 50 |
| Approaching Basic | 76 | 11 | 73 | 10 | 117 | 17 | 70 | 10 |
| Unsatisfactory | 19 | 3 | 26 | 4 | 25 | 4 | 25 | 4 |
| Total | 705 | | 705 | | 705 | | 705 | |

| District Achievement Level Results | English Language Arts 2010 | | Mathematics 2010 | | Science 2010 | | Social Studies 2010 | |
|---------------------------------------|-------------------------------|---------|---------------------|---------|-----------------|---------|------------------------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 7 | | | | | | | | |
| Advanced | 52 | 7 | 78 | 11 | 36 | 5 | 69 | |
| Mastery | 146 | 21 | 125 | 18 | 181 | 26 | 192 | 27 |
| Basic | 354 | 50 | 367 | 52 | 337 | 48 | 332 | 47 |
| Approaching Basic | 118 | 17 | 92 | 13 | 121 | 17 | 72 | 10 |
| Unsatisfactory | 32 | 5 | 41 | 6 | 27 | 4 | 37 | 5 |
| Total | 702 | | 703 | | 702 | | 702 | |

| District Achievement Level Results | English Language Arts 2010 | | Mathematics 2010 | |
|---------------------------------------|-------------------------------|---------|---------------------|---------|
| | Number | Percent | Number | Percent |
| Grade 9 | | | | |
| Advanced | 12 | 2 | 70 | 12 |
| Mastery | 100 | 17 | 94 | 16 |
| Basic | 352 | 58 | 317 | 52 |
| Approaching Basic | 121 | 20 | 79 | 13 |
| Unsatisfactory | 21 | 3 | 46 | 8 |
| Total | 606 | | 606 | |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

IOWA and iLEAP Tests
For the Year Ended June 30, 2012

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
| | 2011 | | 2011 | | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 3 | | | | | | | | |
| Advanced | 43 | 6 | 91 | 12 | 46 | 6 | 21 | 3 |
| Mastery | 239 | 31 | 166 | 22 | 177 | 23 | 131 | 17 |
| Basic | 343 | 45 | 351 | 46 | 368 | 48 | 404 | 53 |
| Approaching Basic | 102 | 13 | 101 | 13 | 122 | 16 | 131 | 17 |
| Unsatisfactory | 35 | 5 | 53 | 7 | 49 | 6 | 74 | 10 |
| Total | 762 | | 762 | | 762 | | 762 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
| | 2011 | | 2011 | | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 5 | | | | | | | | |
| Advanced | 37 | 5 | 74 | 10 | 52 | 7 | 30 | 4 |
| Mastery | 171 | 24 | 117 | 16 | 152 | 21 | 148 | 21 |
| Basic | 333 | 46 | 361 | 50 | 310 | 43 | 361 | 50 |
| Approaching Basic | 122 | 17 | 95 | 13 | 169 | 24 | 113 | 16 |
| Unsatisfactory | 56 | 8 | 73 | 10 | 36 | 5 | 67 | 9 |
| Total | 719 | | 720 | | 719 | | 619 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
| | 2011 | | 2011 | | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 6 | | | | | | | | |
| Advanced | 29 | 4 | 86 | 12 | 44 | 6 | 98 | 13 |
| Mastery | 190 | 26 | 134 | 18 | 182 | 25 | 159 | 21 |
| Basic | 392 | 53 | 405 | 55 | 405 | 55 | 361 | 49 |
| Approaching Basic | 107 | 14 | 86 | 12 | 97 | 13 | 96 | 13 |
| Unsatisfactory | 22 | 3 | 31 | 4 | 13 | 2 | 27 | 4 |
| Total | 740 | | 742 | | 741 | | 741 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
| | 2011 | | 2011 | | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 7 | | | | | | | | |
| Advanced | 71 | 10 | 71 | 10 | 29 | 4 | 63 | 9 |
| Mastery | 178 | 25 | 110 | 15 | 159 | 22 | 187 | 26 |
| Basic | 335 | 47 | 402 | 56 | 363 | 50 | 353 | 49 |
| Approaching Basic | 115 | 16 | 94 | 13 | 139 | 19 | 67 | 9 |
| Unsatisfactory | 20 | 3 | 43 | 6 | 29 | 4 | 49 | 7 |
| Total | 749 | | 720 | | 719 | | 719 | |

| District Achievement Level Results | English Language Arts | | Mathematics | |
|---------------------------------------|-----------------------|---------|-------------|---------|
| | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent |
| Grade 9 | | | | |
| Advanced | | | | |
| Mastery | | | | |
| Basic | | | | |
| Approaching Basic | | | | |
| Unsatisfactory | | | | |
| Total | | | | |

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

IOWA and iLEAP Tests
For the Year Ended June 30, 2012

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|------------------------------------|-----------------------|---------|-------------|---------|------------|---------|----------------|---------|
| | 2012 | | 2012 | | 2012 | | 2012 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 3 | | | | | | | | |
| Advanced | 49 | 6 | 124 | 16 | 36 | 5 | 8 | 1 |
| Mastery | 232 | 29 | 225 | 28 | 206 | 26 | 180 | 23 |
| Basic | 359 | 45 | 329 | 42 | 381 | 48 | 405 | 51 |
| Approaching Basic | 115 | 15 | 83 | 10 | 139 | 18 | 122 | 15 |
| Unsatisfactory | 37 | 5 | 31 | 4 | 28 | 4 | 76 | 10 |
| Total | 792 | | 792 | | 790 | | 791 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|------------------------------------|-----------------------|---------|-------------|---------|------------|---------|----------------|---------|
| | 2012 | | 2012 | | 2012 | | 2012 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 5 | | | | | | | | |
| Advanced | 47 | 7 | 67 | 9 | 43 | 6 | 26 | 4 |
| Mastery | 179 | 25 | 134 | 19 | 159 | 22 | 162 | 23 |
| Basic | 340 | 48 | 363 | 51 | 355 | 50 | 365 | 51 |
| Approaching Basic | 109 | 15 | 99 | 14 | 133 | 19 | 108 | 15 |
| Unsatisfactory | 39 | 5 | 51 | 7 | 23 | 3 | 52 | 7 |
| Total | 714 | | 714 | | 713 | | 713 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|------------------------------------|-----------------------|---------|-------------|---------|------------|---------|----------------|---------|
| | 2012 | | 2012 | | 2012 | | 2012 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 6 | | | | | | | | |
| Advanced | 52 | 7 | 71 | 10 | 31 | 4 | 102 | 15 |
| Mastery | 195 | 28 | 152 | 22 | 188 | 27 | 105 | 15 |
| Basic | 351 | 50 | 399 | 57 | 364 | 52 | 376 | 54 |
| Approaching Basic | 88 | 13 | 52 | 7 | 97 | 14 | 84 | 12 |
| Unsatisfactory | 17 | 2 | 29 | 4 | 21 | 3 | 34 | 5 |
| Total | 703 | | 703 | | 701 | | 701 | |

| District Achievement Level Results | English Language Arts | | Mathematics | | Science | | Social Studies | |
|------------------------------------|-----------------------|---------|-------------|---------|------------|---------|----------------|---------|
| | 2012 | | 2012 | | 2012 | | 2012 | |
| Students | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Grade 7 | | | | | | | | |
| Advanced | 53 | 7 | 77 | 11 | 42 | 6 | 81 | 11 |
| Mastery | 156 | 22 | 105 | 14 | 203 | 28 | 202 | 28 |
| Basic | 382 | 53 | 415 | 57 | 328 | 45 | 316 | 44 |
| Approaching Basic | 106 | 15 | 100 | 14 | 131 | 18 | 85 | 12 |
| Unsatisfactory | 27 | 4 | 28 | 4 | 19 | 3 | 39 | 5 |
| Total | 724 | | 725 | | 723 | | 723 | |

| District Achievement Level Results | English Language Arts | | Mathematics | |
|------------------------------------|---------------------------------|---------|-------------|---------|
| | 2011 | | 2011 | |
| Students | Number | Percent | Number | Percent |
| Grade 9 | | | | |
| Advanced | | | | |
| Mastery | No grade 9 iLEAP in Spring 2012 | | | |
| Basic | | | | |
| Approaching Basic | | | | |
| Unsatisfactory | | | | |
| Total | | | | |